



Annual Report on Contractor Work Force Restructuring

U.S. Department of Energy

Fiscal Year 2002

July 2003

**ANNUAL REPORT
ON CONTRACTOR
WORK FORCE RESTRUCTURING**

FISCAL YEAR 2002

Office of Worker and Community Transition
U.S. Department of Energy
July 2003

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LIST OF ACRONYMS AND SHORT TITLES

Argonne	Argonne National Laboratory (Illinois & Idaho)
BHI	Bechtel Hanford, Inc.
BJC	Bechtel Jacobs Company, LLC
BN	Bechtel Nevada
BNL	Brookhaven National Laboratory (New York)
Brookhaven	Brookhaven National Laboratory (New York)
BWXT	BWX Technologies of Ohio, Inc.
CDC	Career Development Center
CDL	commercial driver's license
COBRA	Consolidated Omnibus Budget Reconciliation Act of 1985
CRO	community reuse organization
CROET	Community Reuse Organization of East Tennessee
CSRA	Central Savannah River Area
CT	community transition
DATF	Defense Adjustment Task Force (Department of Defense)
DOE	Department of Energy
ED	economic development
EICRO	Eastern Idaho Community Reuse Organization
ELRC	Eddy/Lea Regional Commission
EM	Office of Environmental Management (Department of Energy)
ENIPC	Eight Northern Indian Pueblos Council, Inc.
Fernald	Fernald Environmental Management Project (Ohio)
FHI	Fluor Hanford, Inc.
FM&T	Honeywell, Federal Manufacturing & Technologies
FY	fiscal year (October 1 - September 30)
Hanford	Hanford Site (Washington State)
HUB	Historically-Underutilized Businesses
HUD	Department of Housing and Urban Development
IBT	International Brotherhood of Teamsters
INEEL	Idaho National Engineering and Environmental Laboratory (Idaho)
KCP	Kansas City Plant (Missouri)

LANL	Los Alamos National Laboratory (New Mexico)
LHH	Lee Hecht Harrison
Livermore	Lawrence Livermore National Laboratory (California & Nevada)
LLC	limited liability company
LLNL	Lawrence Livermore National Laboratory (California & Nevada)
Los Alamos	Los Alamos National Laboratory (New Mexico)
M&O	management and operating
MMCIC	Miamisburg Mound Community Improvement Corporation
Mound	Miamisburg Environmental Management Project (Ohio)
NE	Office of Nuclear Energy, Science and Technology (Department of Energy)
NM	New Mexico
NMIPA	New Mexico Internet Professionals Association
NTRC	National Transportation Research Center
NTS	Nevada Test Site (Nevada)
NTSDC	Nevada Test Site Development Corporation
Oak Ridge	Oak Ridge Complex (Tennessee)
ORISE	Oak Ridge Institute for Science and Education (Department of Energy)
ORNL	Oak Ridge National Laboratory (Tennessee)
ORO	Oak Ridge Operations Office (Department of Energy)
OSU	Ohio State University
OVRDC	Ohio Valley Regional Development Commission
PACE	Paper, Allied-Industrial, Chemical, and Energy Workers International Union
PACRO	Paducah-Area Community Reuse Organization
Paducah	Paducah Gaseous Diffusion Plant (Kentucky)
Pantex	Pantex Plant (Texas)
PIH	preference-in-hiring
Pinellas	Pinellas Plant (Florida)
PNNL	Pacific Northwest National Laboratory (Washington State)
Portsmouth	Portsmouth Gaseous Diffusion Plant (Ohio)
RDA	Regional Development Alliance, Inc.
RDC	Regional Development Corporation
RFETS	Rocky Flats Environmental Technology Site (Colorado)
RIF	reduction-in-force
Rocky Flats	Rocky Flats Environmental Technology Site (Colorado)

Sandia	Sandia National Laboratories (New Mexico & California)
Savannah River	Savannah River Site (South Carolina)
Section 3161	National Defense Authorization Act for Fiscal Year 1993, Section 3161
SNS	Spallation Neutron Source (Tennessee)
SODI	Southern Ohio Diversification Initiative
SRRDI	Savannah River Regional Diversification Initiative
SRS	Savannah River Site (South Carolina)
STAR	Science, Technology and Research (Center)
SWOT	strengths, weaknesses, opportunities, and threats
THEA	Tri-County Higher Education Association
TRADE	Tri-Area Association for Economic Development
TRIDEC	Tri-City Industrial Development Council
USEC	United States Enrichment Corporation, Inc.
USFWS	United States Fish and Wildlife Service (Department of the Interior)
UT	University of Tennessee
WIPP	Waste Isolation Pilot Plant (New Mexico)
WSRC	Westinghouse Savannah River Company
WT	Office of Worker and Community Transition (Department of Energy)

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OVERVIEW AND SUMMARY

The Office of Worker and Community Transition (WT) was established by the Secretary of Energy on September 15, 1994. The overall mission of WT is to: (1) develop policies and programs necessary to plan for, and mitigate the impacts of, changing conditions on the workers and communities affected by Department of Energy (DOE) mission changes; (2) ensure that those policies and programs are carried out in a way that ensures fair treatment of all concerned, while at the same time recognizing the unique conditions at each site and in each contract; and (3) assist those communities most affected by the changing missions at DOE sites by using DOE's resources to stimulate economic development.

WT performs its mission consistent with section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Appendix OS-1). This legislation requires DOE to develop work force restructuring plans when there are changes in the work force at defense nuclear facilities (Appendix OS-2) and to mitigate the impact of these changes using a number of methods, including voluntary separation programs, training, relocation, and job placement assistance. Under Secretarial direction, work force restructuring objectives are considered for different sites, including those not specifically covered by section 3161. WT also reviews and approves funding for community transition assistance grants designed to mitigate the impact of work force changes and reduce community dependence on DOE activities. Other responsibilities of WT include overseeing asset disposition to promote community reuse opportunities and monitoring contractor labor-management relations to ensure the implementation of DOE policies and foster harmonious and productive labor-management relations.

The overall objective of work force restructuring is to ensure that DOE meets its mission requirements and, at the same time, to minimize the social and economic impacts of restructuring both on workers and on the communities surrounding these sites. To this end, WT cooperates with: (1) appropriate field organizations to prepare work force restructuring plans that provide reasonable assistance to affected workers, and (2) affected communities to develop community transition plans that address the potential economic impacts of restructuring.

This report responds to the requirement of section 3161 that DOE report to Congress annually on the results of work force restructuring. It covers activities in fiscal year 2002 and serves to update Congress and the public on the outcomes of work force restructuring and community transition.

SUMMARY OF FISCAL YEAR 2002 ACTIVITIES

Guidance and Policy Development

WT continues to facilitate efficiencies in the management process of contractor work force restructuring in a way that provides flexibility to the Department's Field Offices and its contractors. WT also continues to support the development and communication of strategies to integrate contract reform with work force transition to enhance operational efficiency, and ensure the maintenance of critical skills and fair treatment of workers.

Work Force Planning

Contractors at defense nuclear sites use a standard work force planning process. Before work force restructuring is implemented, a work force analysis is conducted and reviewed by DOE. The analysis identifies necessary changes in different job classifications and discloses opportunities for reassignment or retraining that can better match positions and skilled employees. The Office of Environmental Management has developed additional long-term work force planning mechanisms in consultation with WT to address the unique requirements of early-closure sites.

Work Force Restructuring

In FY 2002, total reduction-in-force separations numbered 2,014, with 915 (45 percent) being voluntary and 1,099 (55 percent) involuntary. An additional 4,163 separations occurred through attrition. The total work force restructuring cost incurred was \$48.1 million.

Community Transition

To date, 15 communities have identified community reuse organizations and have applied for funding. Their activities have retained, expanded, or created 29,311 jobs. The average cost per job created in the communities surrounding these sites was \$7,969.

Organization of Report

This report is organized into three sections. Section I summarizes work force restructuring and community transition activities at all sites. Section II summarizes work force restructuring and community transition activities for defense nuclear sites. Section III summarizes work force restructuring activities at non-defense sites.

This report is available on the WT website at <http://www.wct.doe.gov> | Program Documentation | Program Reports and Presentations. Also available on the WT website are Planning Guidance for Contractor Work Force Restructuring and the Draft Policy and Planning Guidance for Community Transition Activities at <http://www.wct.doe.gov> | Program Documentation | Authorities and Guidance.

APPENDIX OS-1

**National Defense Authorization Act for Fiscal Year 1993
(Public Law 102-484, October 23, 1992)**

Subtitle E--Defense Nuclear Workers

**Sec. 3161. Department of Energy Defense Nuclear Facilities Work Force
Restructuring Plan**

(a) **IN GENERAL.**--Upon determination that a change in the work force at a defense nuclear facility is necessary, the Secretary of Energy (hereinafter in this subtitle referred to as the "Secretary") shall develop a plan for restructuring the work force for the defense nuclear facility that takes into account--

- (1) the reconfiguration of the defense nuclear facility; and
- (2) the plan for the nuclear weapons stockpile that is the most recently prepared plan at the time of the development of the plan referred to in this subsection.

(b) **CONSULTATION.**--(1) In developing a plan referred to in subsection (a) and any updates of the plan under subsection (e), the Secretary shall consult with the Secretary of Labor, appropriate representatives of local and national collective-bargaining units of individuals employed at Department of Energy defense nuclear facilities, appropriate representatives of departments and agencies of State and local governments, appropriate representatives of State and local institutions of higher education, and appropriate representatives of community groups in communities affected by the restructuring plan.

(2) The Secretary shall determine appropriate representatives of the units, governments, institutions, and groups referred to in paragraph (1).

(c) **OBJECTIVES.**--In preparing the plan required under subsection (a), the Secretary shall be guided by the following objectives:

- (1) Changes in the work force at a Department of Energy defense nuclear facility--
 - (A) should be accomplished so as to minimize social and economic impacts;
 - (B) should be made only after the provision of notice of such changes not later than 120 days before the commencement of such changes to such employees and the communities in which such facilities are located; and
 - (C) should be accomplished, when possible, through the use of retraining, early retirement, attrition, and other options that minimize layoffs.
- (2) Employees whose employment in positions at such facilities is terminated shall, to the extent practicable, receive preference in any hiring of the Department of Energy (consistent with applicable employment seniority plans or practices of the Department of Energy and with section 3152 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1682)).

(3) Employees shall, to the extent practicable, be retrained for work in environmental restoration and waste management activities at such facilities or other facilities of the Department of Energy.

(4) The Department of Energy should provide relocation assistance to employees who are transferred to other Department of Energy facilities as a result of the plan.

(5) The Department of Energy should assist terminated employees in obtaining appropriate retraining, education, and reemployment assistance (including employment placement assistance).

(6) The Department of Energy should provide local impact assistance to communities that are affected by the restructuring plan and coordinate the provision of such assistance with--

(A) programs carried out by the Department of Labor pursuant to the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

(B) programs carried out pursuant to the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (Part D of Public Law 101-510; 10 U.S.C. 2391 note); and

(C) programs carried out by the Department of Commerce pursuant to title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.).

(d) **IMPLEMENTATION.**--The Secretary shall, subject to the availability of appropriations for such purpose, work on an ongoing basis with representatives of the Department of Labor, work force bargaining units, and States and local communities in carrying out a plan required under subsection (a).

(e) **PLAN UPDATES.**--Not later than one year after issuing a plan referred to in subsection (a) and on an annual basis thereafter, the Secretary shall issue an update of the plan. Each updated plan under this subsection shall--

(1) be guided by the objectives referred to in subsection (c), taking into account any changes in the function or mission of the Department of Energy defense nuclear facilities and any other changes in circumstances that the Secretary determines to be relevant;

(2) contain an evaluation by the Secretary of the implementation of the plan during the year preceding the report; and

(3) contain such other information and provide for such other matters as the Secretary determines to be relevant.

(f) **SUBMITTAL TO CONGRESS.**--(1) The Secretary shall submit to Congress a plan referred to in subsection (a) with respect to a defense nuclear facility within 90 days after the date on which a notice of changes described in subsection (c)(1)(B) is provided to employees of the facility, or 90 days after the date of the enactment of this Act, whichever is later.

(2) The Secretary shall submit to Congress any updates of the plan under subsection (e) immediately upon completion of any such update.

Sec. 3163. Definitions

For purposes of this subtitle:

(1) The term "Department of Energy defense nuclear facility" means--

(A) a production facility or utilization facility (as those terms are defined in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014)) that is under the control or jurisdiction of the Secretary and that is operated for national security purposes (including the tritium loading facility at Savannah River, South Carolina, the 236 H facility at Savannah River, South Carolina; and the Mound Laboratory, Ohio), but the term does not include any facility that does not conduct atomic energy defense activities and does not include any facility or activity covered by Executive Order Number 12344, dated February 1, 1982, pertaining to the naval nuclear propulsion program;

(B) a nuclear waste storage or disposal facility that is under the control or jurisdiction of the Secretary;

(C) a testing and assembly facility that is under the control or jurisdiction of the Secretary and that is operated for national security purposes (including the Nevada Test Site, Nevada, the Pinellas Plant, Florida; and the Pantex facility, Texas);

(D) an atomic weapons research facility that is under the control or jurisdiction of the Secretary (including the Lawrence Livermore, Los Alamos, and Sandia National Laboratories); or

(E) any facility described in paragraphs (1) through (4) that--

(i) is no longer in operation;

(ii) was under the control or jurisdiction of the Department of Defense, the Atomic Energy Commission, or the Energy Research and Development Administration; and

(iii) was operated for national security purposes.

(2) The term "Department of Energy employee" means any employee of the Department of Energy defense nuclear facility, including any employee of a contractor or subcontractor of the Department of Energy employed at such a facility.

APPENDIX OS-2

Listing of Defense Nuclear Facilities

The list below reflects facilities receiving funding for Atomic Energy Defense activities of the Department of Energy, with the exception of activities under Naval Reactor Propulsion. It is recognized that these facilities have varying degrees of defense activities, ranging from a total defense dedication to a small portion of their overall activity. This may cause certain difficulties in implementing the intent of the section 3161 legislation. Regardless, this listing will be used by the Office of Worker and Community Transition for possible application of funding received for defense worker assistance and community transition purposes.

Argonne National Laboratory (Illinois & Idaho)
Brookhaven National Laboratory (New York)
East Tennessee Technology Park (Tennessee)
Fernald Environmental Management Project (Ohio)
Hanford Site (Washington State)
Idaho National Engineering and Environmental Laboratory (Idaho)
Kansas City Plant (Missouri)
Lawrence Livermore National Laboratory (California & Nevada)
Los Alamos National Laboratory (New Mexico)
Miamisburg Environmental Management Project (Ohio)
Nevada Test Site (Nevada)
Oak Ridge National Laboratory (Tennessee)
Paducah Gaseous Diffusion Plant (Kentucky)
Pantex Plant (Texas)
Pinellas Plant (Florida)
Portsmouth Gaseous Diffusion Plant (Ohio)
Rocky Flats Environmental Technology Site (Colorado)
Sandia National Laboratories (New Mexico & California)
Savannah River Site (South Carolina)
Waste Isolation Pilot Plant (New Mexico)
Y-12 National Security Complex (Tennessee)

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SECTION I: SUMMARY OF WORK FORCE RESTRUCTURING

I.1 Background

The onset of the Cold War between the United States and the Soviet Union after World War II led to the buildup of an elaborate network of research, production, and testing facilities known as the nuclear weapons complex. To meet nuclear weapons production requirements and other national security obligations, the Department of Energy (DOE) and its predecessor Agencies assembled an extensive contractor work force. The breakup of the Soviet Union in 1991, together with President George H.W. Bush's announcement of the first unilateral nuclear weapons reduction agreement on September 27, 1991, signaled the end of the Cold War and dramatically reduced the need for further nuclear weapons production.

The end of the Cold War also brought about fundamental changes in contractor work force requirements as DOE shifted from weapons production to other missions such as environmental management, weapons dismantlement, and science and technology research. Faced with significant budget reductions and overstaffing problems, DOE began to restructure its work force.

During President George H.W. Bush's Administration, Secretary of Energy James Watkins issued Department of Energy Order 3309.1A (now incorporated into DOE Order 350.1), establishing specific objectives to ensure fairness while reducing the contractor work force, including programs to minimize layoffs. In passing section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484), the Congress mandated an explicit planning process involving affected stakeholders for all work force changes at defense nuclear facilities, and directed that the plans be guided by a fundamental objective: to mitigate the impacts on workers and communities, especially those whose service had helped maintain our nuclear deterrent force during the Cold War.

Section 3161 requires the Secretary of Energy to develop a plan for restructuring the work force for a defense nuclear facility whenever there is a determination that a change in the work force is necessary. This section also identifies objectives that each plan should address, including minimizing social and economic impacts; giving workers adequate notice of impending changes; minimizing involuntary separations; offering preference-in-hiring to the extent practicable to those employees involuntarily separated; providing relocation assistance under certain conditions; providing retraining, as well as educational and outplacement assistance; and providing local impact assistance to affected communities.

In response to the challenges posed by changing missions, and consistent with Departmental policy to apply the work force restructuring process at all sites undergoing significant work force changes, the Office of Worker and Community Transition (WT) was established in 1994. It was assigned responsibility for reviewing and evaluating work force restructuring plans from all sites

and overseeing the implementation of work force restructuring consistent with these plans and Departmental policy and guidance.

WT has issued planning guidance to field organizations tasked with drafting work force restructuring plans. This guidance addresses the need for plans to meet the objectives of section 3161 and offers guidelines for preparing and structuring these plans. In FY 1998, WT established a streamlined planning and approval process for work force restructuring activities. A copy of the current guidance is available on the WT website at <http://www.wct.doe.gov>.

I.2 Fiscal Year 2002 Work Force Restructuring Activity

Separations - Fiscal Year 2002. There were 2,014 management contractor team employees separated from DOE as a result of reduction-in-force (RIF) actions. (Note: Management contractor team consists of those prime contractors performing defense and certain non-defense work that historically was done under a management and operating contract. At some sites, subcontractors are also included.). An additional 4,163 separations occurred through attrition. Of the RIF separations, 45 percent were voluntary and 55 percent involuntary (Exhibit I.1).

Office of Worker and Community Transition

	Defense and Non-Defense Sites	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	5,078	\$1,697,800	\$28,571,942	\$30,269,742	\$5,961
1.1	Early Retirement	505	\$0	\$22,597,943	\$22,597,943	\$44,748
1.2	Non-Retirement Voluntary Separations (Severance Only)	410	\$1,697,800	\$5,973,999	\$7,671,799	\$18,712
1.3	Attrition	4,163	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	1,099	\$939,197	\$12,042,646	\$12,981,843	\$11,812
2.1	With Benefits (Severance Only)	809	\$939,197	\$12,042,646	\$12,981,843	\$16,047
2.1.1	Non-Construction Workers	793	\$888,000	\$12,042,646	\$12,930,646	\$16,306
2.1.2	Construction Workers	16	\$51,197	\$0	\$51,197	\$3,200
2.2	Without Benefits	290	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	6,177	\$2,636,997	\$40,614,588	\$43,251,585	\$7,002
4.0	Remaining Affected Workers	219	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	162	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	57	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$2,240,597	\$2,562,070	\$4,802,667	n/a
5.1	Displaced Worker Medical Benefits	904	\$976,210	\$2,119,763	\$3,095,973	\$3,425
5.2	Relocation Assistance	48	\$124,287	\$0	\$124,287	\$2,589
5.3	Separating or Separated Workers Using Outplacement	2,125	\$685,303	\$328,948	\$1,014,251	\$477
5.4	Education Assistance for Separated Workers	326	\$454,797	\$113,359	\$568,156	\$1,743
6.0	Total Costs for Fiscal Year 2002	n/a	\$4,877,594	\$43,176,658	\$48,054,252	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	6,177	n/a	n/a	n/a	\$7,669
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	410	n/a	n/a	n/a	\$22,090
9.0	Involuntary Separations (All Benefits) ¹	809	n/a	n/a	n/a	\$19,425

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit I.1 Work Force Restructuring Summary for All Sites (Defense and Non-Defense)

Costs - Fiscal Year 2002. The total work force restructuring cost incurred was \$48.1 million. The estimated fully-burdened cost per non-retirement voluntary separation was \$22,090 and \$19,425 for involuntary separation (Exhibit I.1). A fully-burdened cost per voluntary or involuntary separation is calculated by taking the average severance/incentive cost and adding a per capita historical average cost (consisting of all DOE sites) for other benefits of \$3,378. The fully-burdened cost for all separations uses a prorated historical average based on the ratio of separated workers eligible for benefits.

Enhanced Benefits - Fiscal Year 2002. To comply with section 304 of the Energy and Water Development Appropriations Act for Fiscal Year 1998 (and succeeding years), separation costs have been broken out by enhanced benefits, which have been paid by WT, and program benefits, which have been paid by the responsible program office. For the most part, enhanced benefits include relocation assistance, outplacement assistance, educational assistance, and enhanced severance pay. Contract severance pay and displaced worker medical benefits are typically covered by the program offices. The cost of outplacement assistance may be considered a program cost if outplacement has been part of an ongoing corporate benefit.

Ten percent, or \$4.9 million of the \$48.1 million total separation costs, involved enhanced benefits costs funded by WT. The remaining 90 percent, or \$43.2 million, were funded by the various responsible program offices (Exhibit I.1).

Cost Savings - Fiscal Year 2002. The estimated annual cost savings associated with the 2,014 contractor employees separated through RIF actions are \$167.8 million. This calculation uses the total annual employee compensation average of \$83,319 for salary and benefits. This average is based on historical data and adjusted for inflation.

I.3 Changing Separation Patterns

Fiscal Year 1993 - Fiscal Year 2002. Work force restructuring plans coupled with mission changes, contract reforms, and budget cuts helped reduce the number of contractor employees to the current level of 100,333 (Exhibits I.2, I.3).

Fiscal Year*	Reduction in Force (RIF) Separations	RIF Due to Early Retirement	RIF Due to Non-Retirement Voluntary Separations	RIF Due to Involuntary Separations	Attrition**
1993/94	5,159	21%	55%	24%	1,502
1995	12,942	21%	50%	29%	5,822
1996	7,433	13%	41%	46%	4,332
1997	5,361	10%	32%	58%	1,639
1998	2,571	2%	33%	65%	457
1999	1,476	8%	37%	55%	364
2000	2,193	14%	50%	36%	667
2001***	2,288	26%	36%	38%	4,862
2002	2,014	25%	20%	55%	4,163

* Due to some revisions, numbers may differ from those published in prior reports.

** Net attrition was used for fiscal years 1997, 1998, 1999, 2000.

*** Beginning in FY 2001, Nevada Test Site included only Bechtel Nevada; Oak Ridge Complex did not include Bechtel Jacobs subcontractors; Savannah River Site included only Westinghouse Savannah River Company, Bechtel Savannah River Inc., British Nuclear Fuels Ltd., BWXT-SR.

Exhibit I.2 Contractor Separations, Fiscal Years 1993-2002

Office of Worker and Community Transition

SITE	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Fernald	1,509	1,122	1,128	1,203	1,489	2,412	2,385	2,203	1,986	1,989	1,977	1,907	1,754	1,653	1,554
Hanford Site	11,449	11,683	12,730	14,127	15,107	16,062	16,952	13,757	12,099	11,330	10,984	10,908	10,410	11,018	12,213
INEEL	5,773	6,510	7,548	7,988	7,901	7,810	7,524	6,084	5,739	5,868	5,743	6,057	6,244	5,555	5,273
Kansas City Plant	6,946	6,829	6,414	5,497	4,489	4,170	3,289	3,563	3,661	3,679	3,256	3,106	2,979	3,043	3,106
Livermore	8,007	8,042	8,042	8,158	7,981	8,014	7,321	7,372	6,688	6,403	6,608	6,668	6,488	6,613	7,081
Los Alamos	7,442	7,667	7,402	6,992	7,203	7,293	7,024	6,708	6,439	6,687	7,009	7,279	7,019	7,094	7,679
Mound	2,219	2,150	2,149	2,150	1,741	1,713	1,337	1,122	924	740	708	729	715	522	565
Nevada Test Site ¹	8,035	7,996	7,713	7,390	6,670	5,548	5,068	3,940	2,765	2,345	2,515	2,622	2,501	2,356	2,806
Oak Ridge ²	15,651	15,965	15,934	17,200	17,257	17,437	17,215	16,580	15,815	14,046	13,573	12,831	12,952	10,784	11,172
Pantex Plant ³	2,627	2,573	2,390	2,492	2,673	3,020	3,230	3,348	3,327	2,920	2,856	2,840	2,764	3,004	3,210
Pinellas Plant	1,710	1,698	1,667	1,618	1,569	1,100	1,007	669	538	5	0	0	0	0	0
Rocky Flats	5,275	5,312	6,415	7,521	7,302	7,505	6,698	4,418	3,535	3,410	3,166	3,138	3,014	2,577	2,490
Sandia	8,372	8,432	8,705	8,804	8,473	8,477	8,458	8,527	8,057	7,576	7,501	7,657	7,461	7,686	8,042
Savannah River ⁴	10,629	16,403	17,663	20,185	20,979	19,788	18,922	15,430	14,379	13,231	13,082	12,918	12,740	12,103	11,755
WIPP ⁵	375	506	603	714	775	799	735	640	636	636	613	625	666	669	662
SUBTOTAL	96,019	102,888	106,503	112,039	111,609	111,148	107,165	94,361	86,588	80,865	79,591	79,285	77,707	74,677	77,608
Other Sites	31,012	29,277	34,086	33,574	37,077	30,436	28,932	27,500	25,401	24,432	23,420	23,398	23,149	23,022	22,725
GRAND TOTAL	127,031	132,165	140,589	145,613	148,686	141,584	136,097	121,861	111,989	105,297	103,011	102,683	100,856	97,699	100,333

¹Beginning in FY 2001, only includes Bechtel Nevada.

²Beginning in FY 2001, Bechtel Jacobs subcontractors are no longer included.

³FY 2001 headcount was revised from 3,005 as shown in prior Annual Report.

⁴Beginning in FY 2001, only includes Westinghouse Savannah River Company, Bechtel Savannah River Inc., British Nuclear Fuels Ltd., BWXT-SR.

⁵FY 2001 headcount was revised from 664 as shown in prior Annual Report.

Note: Management contractor team consists of those prime contractors performing defense and certain non-defense work that historically was done under a management and operating contract. At some sites, subcontractors are also included.

Exhibit I.3 DOE Management Contractor Team Employment at Selected Sites, Headcount by End of Fiscal Years 1988-2002

I.4 Separation Costs

The purpose of work force restructuring is to increase the cost-effectiveness and efficiency of DOE-wide site operations by matching skilled employees with mission requirements. To achieve this result, prime contractors must separate or retrain workers whose skills no longer match mission needs. Sites employ a variety of means to minimize the economic and social impacts of voluntary and involuntary separations. These include early retirement incentives, enhanced severance for non-retirement voluntary separations, medical benefits extensions, outplacement services, and educational assistance. The costs associated with providing these benefits are offset by savings realized from restructuring the work force.

I.5 Mitigating Restructuring Impacts

DOE employs a number of measures to mitigate the impacts of work force restructuring, especially the impacts of involuntary separation. Several measures have been used successfully to limit the need for separations. These include placing at-risk workers in other positions by transferring workers to other sites with available positions created by changing missions or attrition. Additionally, sites can offer displaced workers medical benefits, relocation assistance, a variety of outplacement services, and educational assistance.

Placement. In FY 2002, 162 workers were internally placed without retraining. An additional 57 workers were transferred to other sites.

Medical Benefits. In 1992, then Secretary of Energy James Watkins directed that all prime contractor employees separated from DOE sites, and not otherwise eligible for another medical program, would be eligible for displaced worker medical benefits. Under this program, employees continue to participate in their former employer's medical program, but at a cost to the participant that increases over time. During the first year, the participant contributes the same amount as when employed by the contractor. In the second year, the employee pays one-half the applicable Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) rate. In the third and subsequent years, the employee pays the full COBRA rate.

Medical benefits coverage was used by 904 employees in FY 2002 at a total cost of \$3.1 million, for an average cost of \$3,425. Recipients of displaced worker medical benefits may have separated in prior years.

Relocation Assistance. DOE offered relocation assistance to separated prime contractor employees to help them relocate to jobs at other DOE sites where such costs are not normally reimbursed. In FY 2002, 48 employees took advantage of this benefit at a total cost of \$124,287, or \$2,589 per recipient. Recipients of relocation assistance may have separated in prior years.

Outplacement Services. All Department facilities included in this report have access to outplacement services to assist separated employees in finding new employment either within or outside DOE. Some sites use consultants or subcontractors to provide such services, while others use in-house contractor staff. Some centers are staffed with job counselors, state employment services personnel, and employee assistance counselors to help separated employees locate possible new employment, prepare resumes, and accommodate personal and family concerns resulting from their separations. Services often include automated job listings, skills assessments, workshops, resource libraries, clerical help, job fairs, and resume distribution. A total of 2,125 employees used outplacement services in FY 2002 at a total cost of \$1.0 million, averaging \$477 per employee. Recipients of outplacement services may have separated in prior years.

Educational Assistance. Employees, whether voluntarily or involuntarily separated, were often eligible to receive financial assistance of up to \$10,000 per employee over a 4-year period. Educational assistance was used by 326 employees in FY 2002 at a cost of \$568,156, or \$1,743 per employee. Recipients of educational assistance benefits may have separated in prior years.

I.6 Community Transition Overview

DOE's community transition program is designed to minimize the social and economic impacts of work force restructuring on communities surrounding DOE facilities. The program encourages the affected communities to chart their own economic future through the creation of community reuse organizations (CROs), similar to the Department of Defense's Local Reuse Authorities created to assist communities affected by military base closures.

Current Funding Activities. Since 1993, a total of \$276.3 million has been committed complex-wide to community transition activities, with \$233.6 million actually being spent as of September 30, 2002. To date, 15 communities have received community transition assistance (Exhibit I.4).

Site	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
Albuquerque	\$2,410,047	\$0	\$2,410,047	\$1,167,698	460	\$2,538
Carlsbad	\$3,595,000	\$243,314	\$3,838,314	\$2,925,826	87	\$33,630
ENIPC	\$463,600	\$0	\$463,600	\$253,600	0	\$0
Fernald	\$736,921	\$0	\$736,921	\$460,281	0	\$0
Hanford Site	\$21,931,520	\$262,000	\$22,193,520	\$19,783,245	2,119	\$9,336
Idaho	\$36,825,000	\$0	\$36,825,000	\$21,297,609	6,294	\$3,384
Los Alamos	\$12,521,054	\$860,381	\$13,381,435	\$12,130,685	975	\$12,442
Mound	\$25,000,000	\$200,000	\$25,200,000	\$14,421,052	575	\$25,080
Nevada	\$14,956,000	\$632,417	\$15,588,417	\$14,912,184	1,945	\$7,667
Oak Ridge	\$58,001,500	\$0	\$58,001,500	\$55,925,373	5,511	\$10,148
Paducah	\$8,400,000	\$0	\$8,400,000	\$8,027,336	423	\$18,977
Pinellas	\$21,167,200	\$100,000	\$21,267,200	\$20,234,000	3,038	\$6,660
Portsmouth	\$14,155,014	\$0	\$14,155,014	\$10,164,965	887	\$11,460
Rocky Flats	\$750,000	\$0	\$750,000	\$653,868	0	\$0
Savannah River	\$22,124,000	\$30,957,310	\$53,081,310	\$51,216,209	6,997	\$7,320
Totals	\$243,036,856	\$33,255,422	\$276,292,278	\$233,573,931	29,311	\$7,969

**Exhibit I.4 Summary of Community Transition Funding
and Job Creation Statistics, Fiscal Years 1993-2002**

Job Creation. From FY 1993 through September 30, 2002, the community transition program has helped communities create or retain 29,311 jobs at an average cost of \$7,969 per job.

SECTION II: DEFENSE NUCLEAR SITES

II.1 Background

Defense nuclear sites accounted for nearly 87 percent of all reduction-in-force (RIF) separations in FY 2002.

II.2 Current Work Force Restructuring

In FY 2002, RIF separations numbered 1,751, with 798 being voluntary and 953 involuntary. An additional 3,597 separations occurred through attrition (Exhibit II.1).

	Defense Nuclear Sites	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	4,395	\$1,697,800	\$27,090,047	\$28,787,847	\$6,550
1.1	Early Retirement	435	\$0	\$22,260,706	\$22,260,706	\$51,174
1.2	Non-Retirement Voluntary Separations (Severance Only)	363	\$1,697,800	\$4,829,341	\$6,527,141	\$17,981
1.3	Attrition	3,597	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	953	\$939,197	\$11,096,843	\$12,036,040	\$12,630
2.1	With Benefits (Severance Only)	731	\$939,197	\$11,096,843	\$12,036,040	\$16,465
2.1.1	Non-Construction Workers	715	\$888,000	\$11,096,843	\$11,984,843	\$16,762
2.1.2	Construction Workers	16	\$51,197	\$0	\$51,197	\$3,200
2.2	Without Benefits	222	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	5,348	\$2,636,997	\$38,186,890	\$40,823,887	\$7,633
4.0	Remaining Affected Workers	206	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	162	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	44	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$2,240,597	\$2,255,186	\$4,495,783	n/a
5.1	Displaced Worker Medical Benefits	811	\$976,210	\$1,972,267	\$2,948,477	\$3,636
5.2	Relocation Assistance	48	\$124,287	\$0	\$124,287	\$2,589
5.3	Separating or Separated Workers Using Outplacement	2,059	\$685,303	\$275,125	\$960,428	\$466
5.4	Education Assistance for Separated Workers	292	\$454,797	\$7,794	\$462,591	\$1,584
6.0	Total Costs for Fiscal Year 2002	n/a	\$4,877,594	\$40,442,076	\$45,319,670	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	5,348	n/a	n/a	n/a	\$8,324
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	363	n/a	n/a	n/a	\$21,359
9.0	Involuntary Separations (All Benefits) ¹	731	n/a	n/a	n/a	\$19,843

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit II.1 Defense Nuclear Sites Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 14

Rehires in FY 2002: 880

Preference-in-hiring placements in FY 2002: 126

II.3 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 was \$45.3 million. The estimated fully-burdened cost per non-retirement voluntary separation was \$21,359 and \$19,843 per involuntary separation (Exhibit II.1). The estimated savings in salary and benefits for the 1,751 RIF separations are \$145.9 million.

II.4 Mitigating Restructuring Impacts

Placement. In FY 2002, 206 employees were placed in other positions, either at the same site or other sites. The majority were placed at their same site without retraining.

Medical Benefits. In FY 2002, 811 separated workers took extended medical benefits at an average cost of \$3,636. Recipients may have separated in prior years.

Relocation Assistance. In FY 2002, 48 employees received relocation assistance at an average cost of \$2,589. Recipients may have separated in prior years.

Outplacement Services. In FY 2002, 2,059 workers used outplacement services at an average cost of \$466. Recipients may have separated in prior years.

Educational Assistance. In FY 2002, 292 workers received educational assistance at an average cost of \$1,584. Recipients may have separated in prior years.

II.5 SITE SUMMARIES

II.5.1 Argonne National Laboratory

II.5.1.1 Background

The Argonne National Laboratory (Argonne) is a large, multi-program laboratory operated by the University of Chicago for the Department of Energy. Argonne's mission is basic research and technology development to meet national goals in scientific leadership, energy technology, environmental quality, and national security. Argonne occupies two sites, one in Illinois and one in Idaho.

II.5.1.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2001 numbered 879, with 59 percent being voluntary and 41 percent involuntary (Exhibit II.5.1.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 207 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	180	70	250
1996	40	104	144
1997	125	64	189
1998	38	65	103
1999	74	27	101
2000	51	17	68
2001	14	10	24
Total	522	357	879

Exhibit II.5.1.1 Argonne National Laboratory Contractor Separations

II.5.1.3 Current Work Force Restructuring

In FY 2002, RIF separations numbered 55, with 33 being voluntary and 22 involuntary. An additional 167 separations occurred through attrition (Exhibit II.5.1.2).

Office of Worker and Community Transition

	Site: Argonne National Laboratory	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	200	\$0	\$1,153,206	\$1,153,206	\$5,766
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	33	\$0	\$1,153,206	\$1,153,206	\$34,946
1.3	Attrition	167	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	22	\$0	\$362,986	\$362,986	\$16,499
2.1	With Benefits (Severance Only)	22	\$0	\$362,986	\$362,986	\$16,499
2.1.1	Non-Construction Workers	22	\$0	\$362,986	\$362,986	\$16,499
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	222	\$0	\$1,516,192	\$1,516,192	\$6,830
4.0	Remaining Affected Workers	2	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	2	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$48,040	\$48,040	n/a
5.1	Displaced Worker Medical Benefits	16	\$0	\$38,139	\$38,139	\$2,384
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	18	\$0	\$9,901	\$9,901	\$550
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2002	n/a	\$0	\$1,564,232	\$1,564,232	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	222	n/a	n/a	n/a	\$7,667
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	33	n/a	n/a	n/a	\$38,324
9.0	Involuntary Separations (All Benefits) ¹	22	n/a	n/a	n/a	\$19,877

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit II.5.1.2 Argonne National Laboratory Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 0

Preference-in-hiring placements in FY 2002: 0

II.5.1.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at Argonne was \$1,564,232. The estimated fully-burdened cost per non-retirement voluntary separation was \$38,324 and \$19,877 per involuntary separation (Exhibit II.5.1.2). The estimated savings in salary and benefits for the 55 RIF separations are \$4.6 million.

II.5.1.5 Outplacement

Argonne provides group workshops on marketing, job-hunting techniques, networking, resume development, letter writing, interviewing techniques, educational and training goals, financial planning, and follow-up or progress sessions for individuals through contracted service agencies.

II.5.1.6 Accomplishments and Lessons Learned

In recent years, the voluntary separation programs have been successful in reducing the number of employees scheduled for involuntary separation when RIFs have been necessary.

II.5.1.7 Future of the Site

No significant change is forecast in mission or employment.

II.5.2 Brookhaven National Laboratory

II.5.2.1 Background

The Brookhaven National Laboratory (BNL) is a large, multi-program laboratory operated by Brookhaven Science Associates for the Department of Energy (DOE). BNL conducts research in the physical, biomedical, and environmental sciences, as well as in energy technologies. BNL is located in New York.

II.5.2.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2001 numbered 970, with 92 percent being voluntary and 8 percent involuntary (Exhibit II.5.2.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 161 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	320	12	332
1996	244	26	270
1997	61	8	69
1998	45	7	52
1999	68	4	72
2000	111	8	119
2001	44	12	56
Total	893	77	970

Exhibit II.5.2.1 Brookhaven National Laboratory Contractor Separations

II.5.2.3 Current Work Force Restructuring

In FY 2002, RIF separations numbered 38, with 33 being voluntary and 5 involuntary. An additional 157 separations occurred through attrition (Exhibit II.5.2.2).

Office of Worker and Community Transition

	Site: Brookhaven National Laboratory	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	190	\$0	\$1,717,273	\$1,717,273	\$9,038
1.1	Early Retirement	29	\$0	\$1,585,473	\$1,585,473	\$54,671
1.2	Non-Retirement Voluntary Separations (Severance Only)	4	\$0	\$131,800	\$131,800	\$32,950
1.3	Attrition	157	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	5	\$0	\$171,624	\$171,624	\$34,325
2.1	With Benefits (Severance Only)	5	\$0	\$171,624	\$171,624	\$34,325
2.1.1	Non-Construction Workers	5	\$0	\$171,624	\$171,624	\$34,325
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	195	\$0	\$1,888,897	\$1,888,897	\$9,687
4.0	Remaining Affected Workers	4	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	4	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$119,019	\$119,019	n/a
5.1	Displaced Worker Medical Benefits	42	\$0	\$119,019	\$119,019	\$2,834
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2002	n/a	\$0	\$2,007,916	\$2,007,916	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	195	n/a	n/a	n/a	\$9,843
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	4	n/a	n/a	n/a	\$36,328
9.0	Involuntary Separations (All Benefits) ¹	5	n/a	n/a	n/a	\$37,703

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit II.5.2.2 Brookhaven National Laboratory Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 3

Preference-in-hiring placements in FY 2002: 3 (all rehires, included above)

II.5.2.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at BNL was \$2,007,916. The estimated fully-burdened cost per non-retirement voluntary separation was \$36,328 and \$37,703 per involuntary separation (Exhibit II.5.2.2). The estimated savings in salary and benefits for the 38 RIF separations are \$3.2 million.

II.5.2.5 Outplacement

BNL works with each involuntary RIF separation to assist with resume preparation and to make every effort to match the involuntary RIF staff with existing job openings. When appropriate, BNL contracts with an outplacement firm which provides workshops on searching for jobs and dealing with the trauma of a layoff. Any employee involuntarily separated is given preference-in-hiring for 52 weeks after that action has taken place.

II.5.2.6 Accomplishments and Lessons Learned

BNL has used term and project appointments for many projects. The use of such appointments reduces the need for involuntary separations and the cost of providing severance pay. Over the years, BNL has been very successful in reducing the number of involuntary separations through careful job matching.

II.5.2.7 Future of the Site

BNL envisions a future of accelerating progress in linking fundamental knowledge of the structure of matter with the practical technologies needed to address the most challenging problems of society. In this context, BNL will provide innovative and leading-edge facilities that permit researchers from all over the world to make this link, and will foster the application of those facilities to problems of national significance consistent with DOE objectives.

II.5.3 Hanford Site

II.5.3.1 Background

The Hanford Site (Hanford) is engaged in a massive environmental cleanup project to deal with accumulated chemical and radioactive wastes resulting from decades of plutonium production for the Nation's nuclear weapons program. Today, Hanford is one of the largest and most complex environmental cleanup efforts in the Nation focusing on the environmental cleanup of the site's legacy Cold War wastes. Primary contractors include Fluor Hanford, Inc. (FHI) with its team of subcontractors, the CH2M Hill Hanford Group, Inc., Bechtel National, Inc., and Bechtel Hanford, Inc. (BHI). Hanford is located in the State of Washington.

An important parallel mission to environmental cleanup is the development and deployment of new technologies, particularly those that will directly benefit environmental cleanup. This work is accomplished through the Pacific Northwest National Laboratory (PNNL) located at Hanford and operated by Battelle Memorial Institute.

II.5.3.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2001 numbered 8,238, with 61 percent being voluntary and 39 percent involuntary (Exhibit II.5.3.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 860 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	3,166	1,398	4,564
1996	1,526	677	2,203
1997	336	433	769
1998	0	407	407
1999	32*	60	92
2000	0	46	46
2001	0	157	157
Total	5,060	3,178	8,238

* All through attrition.

Exhibit II.5.3.1 Hanford Site Contractor Separations

II.5.3.3 Current Work Force Restructuring

In FY 2002, RIF separations numbered 79, with all being involuntary. An additional 830 separations occurred through attrition (Exhibit II.5.3.2).

	Site: Hanford Site	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	830	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	830	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	79	\$0	\$1,113,617	\$1,113,617	\$14,096
2.1	With Benefits (Severance Only)	78	\$0	\$1,113,617	\$1,113,617	\$14,277
2.1.1	Non-Construction Workers	78	\$0	\$1,113,617	\$1,113,617	\$14,277
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	1	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	909	\$0	\$1,113,617	\$1,113,617	\$1,225
4.0	Remaining Affected Workers	41	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	35	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	6	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$16,642	\$146,372	\$163,014	n/a
5.1	Displaced Worker Medical Benefits	54	\$0	\$146,372	\$146,372	\$2,711
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	81	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	19	\$16,642	\$0	\$16,642	\$876
6.0	Total Costs for Fiscal Year 2002	n/a	\$16,642	\$1,259,989	\$1,276,631	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	909	n/a	n/a	n/a	\$1,515
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits) ¹	78	n/a	n/a	n/a	\$17,655

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit II.5.3.2 Hanford Site Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 122

Preference-in-hiring placements in FY 2002: 6 (all rehires, included above)

II.5.3.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at Hanford was \$1,276,631. The estimated fully-burdened cost per involuntary separation was \$17,655 (Exhibit II.5.3.2). The estimated savings in salary and benefits for the 79 RIF separations are \$6.6 million.

II.5.3.5 Outplacement

Displaced Hanford employees used WorkSource Columbia Basin, an outplacement center maintained by the State of Washington, as the exclusive provider of outplacement services during FY 2002.

II.5.3.6 Accomplishments and Lessons Learned

BHI and FHI worked together to develop a transition plan to transfer the Central Plateau scope of work and employees performing that work scope from BHI to FHI in accordance with direction from the Department of Energy Richland Operations Office. Of the 198 impacted BHI employees, only one worker was involuntarily separated.

Use of the pay-in-lieu option, improvements in exit processing, closer coordination with WorkSource Columbia Basin, and use of their facilities for additional exit processing activities improved exit processing for worker separations in FY 2002.

Partnering with other site contractors during work force restructuring activities makes good sense for all concerned and significantly reduces cost impacts from work force reductions and site-wide hiring costs.

Continued use of the formal process for determining reduction-in-force candidates, developed by a legal firm contracted by FHI, reduces time, costs, and legal liabilities associated with work force restructuring activities and remains a key element in the work force restructuring strategy at Hanford.

II.5.3.7 Future of the Site

Progress in meeting Hanford's multiple cleanup objectives and outcomes should continue at an accelerated pace in fiscal year 2003. Significant accomplishments can be expected in several areas including continued construction of a facility to vitrify (glassify) high-level tank wastes, ongoing removal of spent nuclear fuel away from the Columbia River, restoration work along the Columbia River corridor, stabilization of nuclear materials, and facilities transition.

Construction of the vitrification facility has begun and is expected to employ approximately 3,200 construction workers during the peak construction period beginning in 2005. Total employment on the project including management, professional staff and construction is expected to be around 4,500. Facility completion is scheduled in 2006-2007, with operability beginning in 2007. This project provides potential employment opportunity for any employees who might be at risk with other contractors onsite.

Major work force restructuring is not anticipated at Hanford in FY 2003, but some adjustments will occur due to skill mix issues resulting from reprioritizing resources for cleanup work at an accelerated pace.

Work force restructuring at the PNNL has had minimal impact on PNNL, and there are no expectations for this to change in FY 2003.

II.5.3.8 Community Transition

In May 1994, economic development organizations within the Hanford Site area designated the Tri-City Industrial Development Council (TRIDEC) as the Hanford community reuse organization. TRIDEC evaluates and recommends proposals that will create and retain high-value jobs in the area. TRIDEC also reviews and makes recommendations on the prioritization of Hanford resources to be transferred to the community and serves as a communication link between the site and other interests or organizations.

As of September 30, 2002, approximately \$22.2 million has been committed to TRIDEC, and nearly \$19.8 million was spent. A total of 2,119 jobs was created or retained, with an additional 2,488 jobs projected by FY 2005.

Exhibit II.5.3.3 provides a summary of all projects funded between FY1995 and September 30, 2002.

From FY 1995 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
Categories of Closed Projects							
Infrastructure	\$1,470,000	\$0	\$1,470,000	\$1,470,000	0	\$0	100
Financing Programs	\$1,925,000	\$0	\$1,925,000	\$1,925,000	48	\$40,104	0
Community and Marketing Studies	\$525,344	\$0	\$525,344	\$525,344	0	\$0	265
Business Development Programs	\$6,696,132	\$130,000	\$6,826,132	\$6,804,815	938	\$7,255	1,651
Ongoing Projects							
Advanced Process Engineering Laboratory	\$3,521,000	\$0	\$3,521,000	\$3,519,900	14	\$251,421	270
Food Irradiation	\$100,000	\$0	\$100,000	\$100,000	0	\$0	20
Hanford Reindustrialization	\$862,500	\$0	\$862,500	\$671,125	75	\$8,948	300
Medical Isotopes Program	\$200,000	\$0	\$200,000	\$0	0	\$0	0
Minority Program Development	\$181,111	\$0	\$181,111	\$101,987	31	\$3,290	146
PNNL, Local Technical Assistance Program	\$900,000	\$132,000	\$1,032,000	\$947,722	75	\$12,636	60
TRIDEC Incentive Fund	\$2,000,000	\$0	\$2,000,000	\$801,520	235	\$3,411	450
TRIDEC Marketing	\$1,550,000	\$0	\$1,550,000	\$1,351,394	688	\$1,964	1,200
TRIDEC Training Program	\$173,720	\$0	\$173,720	\$44,469	15	\$2,965	145
TRIDEC Administration*	\$1,826,713	\$0	\$1,826,713	\$1,519,969	0	\$0	0
Totals	\$21,931,520	\$262,000	\$22,193,520	\$19,783,245	2,119	\$9,336	4,607

*Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.3.3 Hanford Site Community Transition Funding and Job Creation by Project

The following is an update on the major accomplishments of selected projects funded by TRIDEC in FY 2002:

- TRIDEC Marketing Program. Over the past 6 months, the project continued its targeted proactive recruitment campaign and assisted 33 companies with their siting decisions. TRIDEC hosted more than 26 community site visits. Successful industrial recruitments include:
 - Ferguson Enterprises, Inc. -- Ferguson, one of the of the Nation's largest suppliers of plastic pipe and other plumbing products, will construct a 420,000-square-foot distribution center, valued at \$23 million on 75 acres in Richland, Washington. The company plans to employ 90 people at start-up.
 - Stravinski Development Group -- A warehouse developer announced a 250,000-square-foot bonded warehouse development in Prosser, Washington. The facility will employ about 50 people at start-up.
 - Duck Pond Cellars -- An Oregon winery is opening a new facility in Prosser, Washington and plans to invest about \$200,000. The winery anticipates employing 4 full-time and 10 seasonal workers.
 - Advanced Biometrics -- A producer of subcutaneous biometric measurement devices for the human hand will relocate its corporate headquarters to Kennewick, Washington. The corporation is valued at about \$18 million and will employ 10 people.

Additionally, TRIDEC responded to 1,002 inquiries, produced 70 company-specific proposals, supplied relocation information and assistance to 20 actual clients, and produced 15,927 direct mail pieces. Companies that have relocated or expanded their operations in the Tri-Cities area have created a total of 688 jobs over the life of this program.

- Pacific Northwest National Laboratory Technical Assistance Program. Two-hundred-fifty firms received technical assistance from this program. The project has created 75 jobs to date. A total of \$1,032,000 of Department of Energy funding was earmarked for Technical Assistance projects through this program. Most of these projects are expected to be concluded over the next 6 months.

- The Historically-Underutilized Businesses (HUB) Development Program. This year to-date, the program provided 200 hours of counseling to approximately 35 clients. In FY 2002, HUB had economic investments from clients totaling over \$250,000 (into specific business projects) and projects another \$300,000 to \$400,000 that will be invested by the end of FY 2003. The HUB program joined other organizations to plan and write a \$600,000 Housing and Urban Development grant to provide the program with better operating facilities. A new building and resources are projected to be available by FY 2004. Over the next few months, the program intends to take a strategic approach to diversifying its portfolio, including a strategy to offer a micro-loan program to HUB clients. In addition to this strategy, HUB also hopes to become involved with other business.

II.5.4 Idaho National Engineering and Environmental Laboratory (INEEL)

II.5.4.1 Background

INEEL is a science-based, applied engineering national laboratory operated by Bechtel BWXT Idaho, LLC for the Department of Energy (DOE). Its mission is focused in the areas of environment, energy, science, and national defense. INEEL is located in Idaho.

II.5.4.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2001 numbered 2,702, with 99 percent being voluntary and 1 percent involuntary (Exhibit II.5.4.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 317 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	30	20	50
1995	1,493	0	1,493
1996	402	0	402
1997	0	0	0
1998	125*	0	125
1999	0	3	3
2000	0	12	12
2001	617	0	617
Total	2,667	35	2,702

* All through attrition.

Exhibit II.5.4.1 Idaho National Engineering and Environmental Laboratory Contractor Separations

II.5.4.3 Current Work Force Restructuring

In FY 2002, RIF separations numbered 172, with 24 being voluntary and 148 involuntary. An additional 229 separations occurred through attrition (Exhibit II.5.4.2).

	Site: Idaho National Engineering and Environmental Laboratory	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	253	\$27,000	\$1,039,291	\$1,066,291	\$4,215
1.1	Early Retirement	21	\$0	\$1,019,233	\$1,019,233	\$48,535
1.2	Non-Retirement Voluntary Separations (Severance Only)	3	\$27,000	\$20,058	\$47,058	\$15,686
1.3	Attrition	229	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	148	\$888,000	\$1,042,769	\$1,930,769	\$13,046
2.1	With Benefits (Severance Only)	148	\$888,000	\$1,042,769	\$1,930,769	\$13,046
2.1.1	Non-Construction Workers	148	\$888,000	\$1,042,769	\$1,930,769	\$13,046
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	401	\$915,000	\$2,082,060	\$2,997,060	\$7,474
4.0	Remaining Affected Workers	11	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	10	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	1	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$653,098	\$653,098	n/a
5.1	Displaced Worker Medical Benefits	161	\$0	\$653,098	\$653,098	\$4,057
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2002	n/a	\$915,000	\$2,735,158	\$3,650,158	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	401	n/a	n/a	n/a	\$8,746
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	3	n/a	n/a	n/a	\$19,064
9.0	Involuntary Separations (All Benefits) ¹	148	n/a	n/a	n/a	\$16,424

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit II.5.4.2 Idaho National Engineering and Environmental Laboratory Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 7

Preference-in-hiring placements in FY 2002: 1 (as a rehire, included above)

II.5.4.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at INEEL was \$3,650,158. The estimated fully-burdened cost per non-retirement voluntary separation was \$19,064 and \$16,424 per involuntary separation (Exhibit II.5.4.2). The estimated savings in salary and benefits for the 172 RIF separations are \$14.3 million.

II.5.4.5 Outplacement

The following services that were in place for the restructuring efforts during FY 2001 were updated to assist employees during FY 2002:

A virtual job fair continues to be available on the Internet to employees affected by restructuring as an ongoing service. The Idaho Job Service--with services such as counseling, education and training opportunities--is one of the links on the site.

Information about the Eastern Idaho Development Council, which links employees with companies in the area, was provided in separation packages.

II.5.4.6 Accomplishments and Lessons Learned

A strong communications plan incorporated a question-and-answer forum as well as timely communications to employees, managers, and stakeholders.

Training for management was a critical component. Managers were trained in how to conduct the selection process, the notification meeting for affected employees, and a group meeting to assist the remaining employees in expressing their thoughts.

A third-party intervention element was built into the involuntary separation process to assist employees with the next steps. Additionally, this enabled notifying managers to keep from being drawn into arguments about the selection process.

The involuntary separation process included a legal review which required selecting managers to document the business case for reductions.

II.5.4.7 Future of the Site

INEEL is anticipating there will be a need for future reductions based upon a changing mission and plans for accelerated cleanup which will, in all probability, result in skills needs different from existing skills.

Nuclear Energy (NE)

INEEL has been named the DOE's Nuclear Energy Laboratory. Currently, a five-member task force representing the Nuclear Energy Research Advisory Committee is conducting a review to determine the applicability of INEEL facilities to be used for DOE-NE's future.

The review is taking into consideration both existing and emerging nuclear research and development needs.

Environmental Management (EM)

The EM program has been restructured to enable INEEL to implement an accelerated cleanup plan. A single, fully integrated project--the Idaho Completion Project--has been established to manage and carry out all INEEL cleanup. As a work organization, the Idaho Completion Project will be staffed with the technical, operations, and support resources necessary to complete cleanup in an effective and efficient manner.

The Idaho Completion Project structure realigns INEEL cleanup principally by geographic area. This approach allows the Laboratory to accomplish the remaining cleanup more logically and effectively.

II.5.4.8 Community Transition

The Eastern Idaho Community Reuse Organization (EICRO) was established in October 1994 to diversify the regional economy by creating the widest possible range of employment opportunities for the region's residents, while preserving and enhancing their quality of life. The Regional Development Alliance, Inc., (RDA), a nonprofit corporation, was selected by the State of Idaho to receive and administer funds provided to the state through a federal court-mandated settlement agreement on the disposition of spent nuclear fuel between the state and DOE. The Department provided \$30.0 million to the state as required by the agreement.

As of September 30, 2002, a total of \$6.8 million was committed to the EICRO and \$30.0 million to the State of Idaho for economic diversification, bringing the total commitment for Eastern Idaho to \$36.8 million. To date, more than \$21 million was spent. A total of 6,294 jobs was created or retained, with an additional 3,090 jobs projected by FY 2005.

Exhibit II.5.4.3 provides a summary of all projects funded between FY 1995 and September 30, 2002.

From FY 1995 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
FY1995 Planning Grant*	\$325,000	\$0	\$325,000	\$325,000	0	\$0	0
Assist Local ED Organizations	\$910,561	\$0	\$910,561	\$910,561	684	\$1,331	684
Regional Projects & Marketing	\$1,027,047	\$0	\$1,027,047	\$666,430	641	\$1,040	652
Entrepreneurial Development	\$14,744	\$0	\$14,744	\$14,744	68	\$217	68
Property Reuse	\$40,000	\$0	\$40,000	\$40,000	19	\$2,105	73
Enterprise Fund - Capital	\$3,200,000	\$0	\$3,200,000	\$3,120,000	1,882	\$1,658	2,991
State of Idaho (RDA)	\$30,000,000	\$0	\$30,000,000	\$15,193,174	3,000	\$5,064	4,916
Administration*	\$1,307,648	\$0	\$1,307,648	\$1,027,700	0	\$0	0
Totals	\$36,825,000	\$0	\$36,825,000	\$21,297,609	6,294	\$3,384	9,384

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.4.3 Idaho National Engineering and Environmental Laboratory Community Transition Funding and Job Creation by Project

The following is an update on the major projects funded by the State of Idaho:

- Regional Development Alliance, Inc. (RDA). The State of Idaho disbursed a total of \$19.5 million of its \$30 million funding to the RDA. The RDA provides financial assistance for business expansion, new business creation, relocation for out-of-state businesses, and development of infrastructure necessary to support business (e.g., sewer and utility access). The RDA set goals for job creation, pay scale and company startup, expansion, and relocation and has spent a total of \$15.2 million of section 3161 funds to date. The RDA projects the creation of more than 4,900 jobs over the life of the current committed projects.
- Idaho Falls Science and Technology Center. The State of Idaho disbursed \$100,000 of a \$5,000,000 commitment to the University of Idaho for a joint project with Idaho State University to support a science and technology center in Idaho Falls. In addition to fostering research and development activities, the facility is expected to eventually accommodate 90 direct employees.

The following is an update on the major projects funded by the EICRO:

- Enterprise Fund Business Financing Program. The Development Workshop was approved for a \$175,000 loan from the EICRO Enterprise Fund. The company created 60 full-time jobs to date throughout Eastern Idaho. These funds enabled the purchase of Compleat Angler, whose product lines provide many assembly jobs for its employees who are adults with physical and/or mental disabilities. Their earnings help to lessen dependancy on government subsidized programs (i.e., food stamps, transportation, housing, and health services). The fund leveraged over \$50 million in private equity from the expansion or relocation of businesses since 1996.

- Business Retention and Expansion Program. The EICRO also began beta testing on a new Business Retention and Expansion program. This program is intended to build relationships with local business leaders, as well as identify those companies that are at risk of leaving the community and those that need assistance with expansion opportunities. With the beta testing almost completed, regional economic development partners throughout Eastern Idaho will be trained on the new software and overall program.
- Website. For nearly a year, Eastern Idaho has been working on an Internet-based tool to help business owners that are considering relocating their facilities, along with site selection consultants, tourists, and local residents with a one-stop shop for gathering information on Eastern Idaho. This site has gained national attention and was the recipient of a 2002 International Economic Development Council award. This site is seeing over 100,000 hits per month from 32 states in the United States and 20 foreign countries, with an average stay time of nearly 10 minutes.

II.5.5 Kansas City Plant

II.5.5.1 Background

The Kansas City Plant (KCP) is responsible for the development, procurement, and production of non-nuclear components for the Nation's nuclear weapons program. Honeywell, Federal Manufacturing & Technologies (FM&T) is the management and operating contractor. KCP is located in Missouri.

II.5.5.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2001 numbered 1,976, with 77 percent being voluntary and 23 percent involuntary (Exhibit II.5.5.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 84 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	672	331	1,003
1995	154*	0	154
1996	48*	0	48
1997	0	0	0
1998	380	43	423
1999	93*	57	150
2000	108	19	127
2001	68	3	71
Total	1,523	453	1,976

* All through attrition.

Exhibit II.5.5.1 Kansas City Plant Contractor Separations

II.5.5.3 Current Work Force Restructuring

In FY 2002, RIF separations numbered 3, with all being involuntary. An additional 120 separations occurred through attrition (Exhibit II.5.5.2).

Office of Worker and Community Transition

	Site: Kansas City Plant	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	120	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	120	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	3	\$0	\$19,015	\$19,015	\$6,338
2.1	With Benefits (Severance Only)	3	\$0	\$19,015	\$19,015	\$6,338
2.1.1	Non-Construction Workers	3	\$0	\$19,015	\$19,015	\$6,338
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	123	\$0	\$19,015	\$19,015	\$155
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$0	\$0	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2002	n/a	\$0	\$19,015	\$19,015	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	123	n/a	n/a	n/a	\$237
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits) ¹	3	n/a	n/a	n/a	\$9,716

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit II.5.5.2 Kansas City Plant Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 3

Rehires in FY 2002: 34

Preference-in-hiring placements in FY 2002: 0

II.5.5.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at KCP was \$19,015. The estimated fully-burdened cost per involuntary separation was \$9,716 (Exhibit II.5.5.2). The estimated savings in salary and benefits for the 3 RIF separations are about \$250,000.

II.5.5.5 Outplacement

Outplacement services were not offered during FY 2002.

II.5.5.6 Accomplishments and Lessons Learned

The 2002 summer internship program resulted in 77 interns. Of the 77 interns, 34 graduating interns accepted full-time job offers. The internship program continues to develop as a source for both critical and other needed skills.

II.5.5.7 Future of the Site

Aggressive hiring continues at KCP to replace critical-skill employees who have left and those critical-skill employees who are forecast to leave over the next 5 years. This will ensure the adequate transfer of knowledge and preservation of that knowledge within the nuclear weapons complex.

II.5.6 Lawrence Livermore National Laboratory

II.5.6.1 Background

The Lawrence Livermore National Laboratory (LLNL), one of three research laboratories managed by the University of California, is a national security laboratory whose mission is to solve complex scientific and technical problems of national importance. LLNL has facilities in California and Nevada.

II.5.6.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2001 numbered 1,956, with 98 percent being voluntary and 2 percent involuntary (Exhibit II.5.6.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 415 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	753*	0	753
1996	878	0	878
1997	285	0	285
1998	0	23	23
1999	0	0	0
2000	0	17	17
2001	0	0	0
Total	1,916	40	1,956

* All through attrition.

Exhibit II.5.6.1 Lawrence Livermore National Laboratory Contractor Separations

II.5.6.3 Current Work Force Restructuring

In FY 2002, there were no RIF separations. However, 286 separations did occur through attrition (Exhibit II.5.6.2).

	Site: Lawrence Livermore National Laboratory	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	286	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	286	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Severance Only)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	286	\$0	\$0	\$0	\$0
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$0	\$0	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2002	n/a	\$0	\$0	\$0	n/a
7.0	Work Force Restructuring Separations (Average Cost)	286	n/a	n/a	n/a	\$0
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0

Exhibit II.5.6.2 Lawrence Livermore National Laboratory Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 70

Preference-in-hiring placements in FY 2002: 0

II.5.6.4 Costs and Cost Savings

There was no work force restructuring cost incurred in FY 2002 at LLNL (Exhibit II.5.6.2).

II.5.6.5 Outplacement

While LLNL did not experience any RIF separations in FY 2002, its career center provides a variety of resources should there be a need for restructuring. Assistance is provided in career management, access to information on job opportunities available elsewhere and job market trends. Also available are business directories and publications, a lending library with books, audiotapes, and videotapes concerning job search, career development, and aging and planning for retirement, as well as access to Internet resources on these topics. Career counselors are available for one-on-one counseling, and workshops are offered weekly on a variety of career related topics that have resume writing, interviewing skills, and dealing with change.

II.5.6.6 Accomplishments and Lessons Learned

LLNL places a high value on training and development. Developing employees' capabilities for their current assignments will also help them be more competitive for other assignments, both in and outside the Laboratory. LLNL has made significant investments in new training technologies, including a variety of computer-based training, Internet courses, and an online learning center that offers a broad range of courses in computer skills, software applications training, and project management. The system may be accessed at any time, and employees can use it as an alternative or a supplement to live training classes.

II.5.6.7 Future of the Site

LLNL continues to focus its efforts on some of the Nation's top priorities. Nuclear Stockpile stewardship and stemming the proliferation of weapons of mass destruction have historically been part of its mission. LLNL anticipates potential involvement in the scientific and technical aspects of homeland security. Meeting these challenges requires a highly-skilled work force with a diversity of technical and scientific skills, as well as operational and administrative expertise.

II.5.7 Los Alamos National Laboratory

II.5.7.1 Background

The Los Alamos National Laboratory (LANL), one of the largest multi-disciplinary research institutions in the world, is managed for the Department of Energy (DOE) by the University of California. Its mission includes enhancing global security by using science and engineering to ensure the safety, reliability, and performance of the Nation's nuclear weapons stockpile and by helping reduce threats to U.S. security, with a focus on weapons of mass destruction. The Laboratory is also involved in cleaning up the legacy of the Cold War as well as providing technical solutions to energy, environment, and health problems. LANL is located in New Mexico.

II.5.7.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2001 numbered 1,014, with 74 percent being voluntary and 26 percent involuntary (Exhibit II.5.7.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 455 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	452	64	516
1996	181*	193	374
1997	0	2	2
1998	0	0	0
1999	0	0	0
2000	122*	0	122
2001	0	0	0
Total	755	259	1,014

* All through attrition.

Exhibit II.5.7.1 Los Alamos National Laboratory Contractor Separations

II.5.7.3 Current Work Force Restructuring

In FY 2002, there were no RIF separations. However, 335 separations did occur through attrition (Exhibit II.5.7.2).

	Site: Los Alamos National Laboratory	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	335	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	335	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Severance Only)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	335	\$0	\$0	\$0	\$0
4.0	Remaining Affected Workers	5	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	5	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$25,309	\$0	\$25,309	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	8	\$25,309	\$0	\$25,309	\$3,164
6.0	Total Costs for Fiscal Year 2002	n/a	\$25,309	\$0	\$25,309	n/a
7.0	Work Force Restructuring Separations (Average Cost)	335	n/a	n/a	n/a	\$0
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0

Exhibit II.5.7.2 Los Alamos National Laboratory Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 172

Preference-in-hiring placements in FY 2002: 6 (5 as rehires, included above)

II.5.7.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at LANL was \$25,309, which funded educational assistance for separated workers. No costs were incurred for medical benefits, relocation assistance, or outplacement (Exhibit II.5.7.2).

II.5.7.5 Outplacement

There were no outplacement services used during FY 2002.

II.5.7.6 Accomplishments and Lessons Learned

LANL has continued to place a major focus on addressing regional issues to improve its standing in the diverse regional community environment within which it operates. As a result, LANL has

increased its community involvement activities by supporting regional economic development and educational outreach. Education actions include the formation of the Northern New Mexico Council for Excellence in Education and the development of a Mathematics and Science Academy. Additionally, LANL created the Los Alamos National Laboratory Foundation, a nonprofit, philanthropic entity organized to promote and fund a broad range of educational and public service activities throughout Northern New Mexico communities.

II.5.7.7 Future of the Site

LANL does not anticipate any major work force restructuring in FY 2003.

II.5.7.8 Community Transition

In 1996, the nonprofit Regional Development Corporation (RDC) was recognized by DOE as the community reuse organization for Northern New Mexico community transition activities. RDC's strategy is to build upon cluster-based economic development. To address specific community challenges, the RDC initiates and implements projects that are community-specific, regional, and/or statewide in scope, but add long-term value to the regional economy.

As of September 30, 2002, a total of nearly \$13.4 million was committed for community transition activities in Northern New Mexico and slightly more than \$12.1 million was spent. A total of 975 jobs was created or retained, with an additional 2,055 jobs projected by FY 2005.

Exhibit II.5.7.3 provides a summary of all projects funded between FY 1993 and September 30, 2002.

From FY 1993 through 4th Quarter FY2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
CLOSED GRANTS							
DATF Closed Grants	\$2,970,923	\$0	\$2,970,923	\$2,840,999	313	\$9,077	1,276
DATF/RDC Closed Grants	\$761,884	\$0	\$761,884	\$761,884	23	\$33,125	257
RDC: Closed Infrastructure Grants	\$2,901,026	\$0	\$2,901,026	\$2,901,026	71	\$40,860	712
RDC: Closed Business Development Grants	\$150,000	\$0	\$150,000	\$150,000	99	\$1,515	99
RDC: Closed Agriculture Grants	\$458,039	\$0	\$458,039	\$458,039	14	\$32,717	34
ACTIVE GRANTS		\$0					
Santa Fe Business Incubator	\$560,000	\$0	\$560,000	\$533,513	152	\$3,510	250
NM Internet Professionals Assn	\$600,000	\$0	\$600,000	\$408,500	158	\$2,585	100
THEA	\$715,355	\$0	\$715,355	\$675,778	54	\$12,514	55
Espanola Valley Fiber Arts Center	\$10,000	\$0	\$10,000	\$7,457	3	\$2,486	6
Skyloom/Collaborations Works	\$225,300	\$0	\$225,300	\$209,300	27	\$7,752	40
Los Ojos Handweavers	\$163,750	\$0	\$163,750	\$145,854	27	\$5,402	38
TRADE	\$141,000	\$0	\$141,000	\$141,000	7	\$20,143	75
Connect Rio Arriba	\$120,000	\$0	\$120,000	\$0	0	\$0	18
Otra Vez	\$300,000	\$0	\$300,000	\$0	0	\$0	50
NM BIZ Sites	\$209,000	\$0	\$209,000	\$0	0	\$0	20
RDC Administrative*	\$1,412,877	\$0	\$1,412,877	\$1,217,402	0	\$0	0
DATF & RDC Totals	\$11,699,154	\$0	\$11,699,154	\$10,450,752	948	\$11,024	3,030
DOE Originated Grant Totals	\$821,900	\$860,381	\$1,682,281	\$1,679,933	27	\$62,220	0
Totals	\$12,521,054	\$860,381	\$13,381,435	\$12,130,685	975	\$12,442	3,030

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.7.3 Los Alamos National Laboratory Community Transition Funding and Job Creation by Project

During FY 2002, RDC funded the New Mexico Internet Professionals Association (NMIPA) to improve business conditions for local Internet professionals and educate the public about web-based economic opportunities. NMIPA develops and implements web-related training and e-commerce marketing for small businesses. More than 574 businesses have taken NMIPA courses since spring 2000. To date, 158 jobs have been created by this project. During FY 2002, funding was also provided to the Skyloom Development Services/Collaboration Works project, to encourage cooperative efforts among local farmers to build a fresh produce distribution network, purchase supplies in bulk, and implement joint marketing programs. To date, 27 jobs have been created by this program. RDC also funded Espanola Valley Fiber Arts Center to perpetuate and promote local weaving arts. Grants are used to train low-income people in weaving to enable them to find employment with local weaving houses or become self-employed.

RDC also serves on a number of advisory boards and task forces associated with Los Alamos National Laboratory (LANL), such as the Industrial Business Development Advisory Board, the Los Alamos Procurement Taskforce/Small Business External Review Committee, and the New Mexico Technology Commercialization Consortium. In partnership with LANL's Small

Business Office, the RDC developed the first regional Economic Development Project Clearinghouse (Clearinghouse). The Clearinghouse is a databank listing of economic development projects within a seven-county region that is used by LANL's major subcontractors as focal points for their economic development plans. Because of the Clearinghouse, IBM has contributed nearly \$33,000 to Northern New Mexico economic development efforts and donated 19 laptop computers to students participating in RDC's e-Plaza project. As one of the founding members of the Agricultural Alliance, RDC is coordinating the e-Plaza project, a web-based portal that provides integrated information and collaborative tools designed to support cluster-based development.

Although funded in FY 2002, a number of additional projects will become active in FY 2003. With RDC's leadership, Rio Arriba County stakeholders will develop and build a publicly-accessible broadband network using wireless last-mile networks strategically located in villages throughout the county. An Office of Worker and Community Transition (WT) grant of \$120,000 will leverage nearly \$450,000 in private funds for this project. Using another \$300,000 grant from WT, RDC will be able to leverage nearly \$222,000 in private funds for another project. That project, Otra Vez, is a vocational training program that uses LANL's surplus government assets to produce refurbished computers and office furniture for resale. With a WT grant of \$209,000, the RDC is developing New Mexico's first web-based geographic information system for business location and relocation purposes; it is also the first multi-county site of this type in the country. The site will provide free, easy access to available commercial-zoned properties as well as accurate economic, demographic (i.e., work force), and spatial data to find the perfect property location in Northern New Mexico.

II.5.8 Nevada Test Site

II.5.8.1 Background

Established as the Atomic Energy Commission's on-continent proving ground, the Nevada Test Site (NTS) has seen more than four decades of nuclear weapons testing. Since the nuclear weapons testing moratorium in 1992, and, under the direction of the Department of Energy (DOE), test site use has diversified into many other programs such as hazardous chemical spill testing, emergency response training, conventional weapons testing, and waste management and environmental technology studies. The NTS, located in Nevada, is managed and operated for DOE by Bechtel Nevada (BN).

II.5.8.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2001 numbered 4,819, with 42 percent being voluntary and 58 percent involuntary (Exhibit II.5.8.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 196 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	508	500	1,008
1995	976	536	1,512
1996	539	799	1,338
1997	0	432	432
1998	0	113	113
1999	0	143	143
2000	0	159	159
2001	0	114	114
Total	2,023	2,796	4,819

Exhibit II.5.8.1 Nevada Test Site Contractor Separations

II.5.8.3 Current Work Force Restructuring

In FY 2002, RIF separations numbered 125, with all being involuntary. An additional 224 separations occurred through attrition (Exhibit II.5.8.2).

	Site: Nevada Test Site	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	224	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	224	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	125	\$0	\$74,303	\$74,303	\$594
2.1	With Benefits (Severance Only)	5	\$0	\$74,303	\$74,303	\$14,861
2.1.1	Non-Construction Workers	5	\$0	\$74,303	\$74,303	\$14,861
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	120	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	349	\$0	\$74,303	\$74,303	\$213
4.0	Remaining Affected Workers	15	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	15	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$11,889	\$150,573	\$162,462	n/a
5.1	Displaced Worker Medical Benefits	24	\$0	\$150,573	\$150,573	\$6,274
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	15	\$11,889	\$0	\$11,889	\$793
6.0	Total Costs for Fiscal Year 2002	n/a	\$11,889	\$224,876	\$236,765	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	349	n/a	n/a	n/a	\$261
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits) ¹	5	n/a	n/a	n/a	\$18,239

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit II.5.8.2 Nevada Test Site Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 0

Preference-in-hiring placements in FY 2002: 0

II.5.8.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at Nevada was \$236,765. The estimated fully-burdened cost per involuntary separation was \$18,239 (Exhibit II.5.8.2). The estimated savings in salary and benefits for the 125 RIF separations are \$10.4 million.

II.5.8.5 Outplacement

BN provides internal outplacement services in coordination with external services provided by the State of Nevada. Services include career counseling, resume writing, access to computers and printers, as well as access to job position postings within DOE and other organizations. The Nevada's Job Training Office also conducts briefings that provide information about employment security, consumer credit counseling services, and union apprenticeship programs.

II.5.8.6 Accomplishments and Lessons Learned

At the time of layoffs, BN and its predecessor contractors established a section 3161 tuition assistance program to help separated employees obtain education necessary to re-enter the job market. This training has included education to help employees further master their existing occupation as well as help other employees make full career changes. Between 1996 and 2002, approximately 2,700 employees have signed up for educational assistance under this program. This training has been a key component in reducing the number of employees on the BN preference-in-hiring list, who were looking for employment, to zero.

II.5.8.7 Future of the Site

Based on possible funding adjustments, projections for FY 2003 indicate that BN will separate less than 100 employees. Adjustments for the mix of skills required and the further need for efficiency of operations are the anticipated causes of these reductions. Any separations that take place are expected to occur sporadically throughout the year.

II.5.8.8 Community Transition

The NTS Development Corporation (NTSDC) was designated as the community reuse organization (CRO) in June 1995 to partnership with DOE for community transition and commercialization efforts in the Nevada Test Site area. This nonprofit entity facilitates the development of sustainable private commercial activities that maximize the use of DOE resources. NTSDC also adds long-term value to the regional economy by expanding non-governmental business opportunities.

As of September 30, 2002, a total of almost \$15.6 million was committed for community transition activities in Nevada and about \$14.9 million was spent. A total of 1,945 jobs was created or retained, with an additional 1,391 jobs projected by FY 2005.

Exhibit II.5.8.3 provides a summary of all projects funded between FY 1995 and September 30, 2002.

From FY 1995 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
Assistance for Economic Development Efforts	\$1,300,000	\$0	\$1,300,000	\$1,230,000	29	\$42,414	100
Implementation	\$8,800,000	\$0	\$8,800,000	\$8,800,000	1,053	\$8,357	2,350
Communications System for State Economic Development Authorities	\$100,000	\$100,000	\$200,000	\$200,000	755	\$265	755
Community Reuse Organization Initial Operations Startup	\$500,000	\$0	\$500,000	\$500,000	18	\$27,778	18
International Brotherhood of Teamsters	\$1,236,000	\$0	\$1,236,000	\$897,876	84	\$10,689	107
Corporation for Solar Technologies and Renewable Resources	\$3,000,000	\$532,417	\$3,532,417	\$3,264,308	6	\$544,051	6
Establish Community Reuse Organization*	\$20,000	\$0	\$20,000	\$20,000	0	\$0	0
Totals	\$14,956,000	\$632,417	\$15,588,417	\$14,912,184	1,945	\$7,667	3,336

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.8.3 Nevada Test Site Community Transition Funding and Job Creation by Project

The following is an update on the major FY 2002 accomplishments of selected implementation projects fostered through NTSDC funding:

- Kistler Aerospace Activities. Kistler Aerospace is developing the world's first reusable launch vehicles to reduce the cost of access to space by 80 to 90 percent. The reusable system will be capable of launching Earth satellites into low Earth orbit, medium Earth orbit, geosynchronous orbit, and on escape trajectories to the moon and the planets. Kistler continues to seek funding for its project and NASA has offered its support, encouraging Kistler to move forward with its plans.
- Regional Development Corporations (RDC). The RDCs in Lincoln and Nye Counties are now well-established and rapidly moving forward. Esmeralda County is working toward organizing its RDC to establish new businesses in its area. Through land sales of abandoned properties and refurbishing historic sites, the RDC expects to attract both new residents and tourists to the area and contribute to economic growth.

Nye County's Science and Technology RDC is working with NTSDC to secure Bureau of Land Management land for Nye County projects. The RDC's proposal for the Amargosa Valley Industrial Park is in the initial development scenario and was based on a NTSDC-funded land use plan.

Lincoln County is in the process of completing several phases of the Meadow Valley Industrial Park including a biological evaluation and design. Construction is scheduled to begin in FY 2003. NTSDC assisted the RDC in acquiring 215.5 acre feet of water rights that will be used to supply water to Alamo City.

- Renewable Energy. NTSDC, in cooperation with Boulder City, established the Green Energy Futures Park on 320 acres of undeveloped land in Eldorado Valley. The park will be a place for research and development of alternate energies. Two new jobs were created to assist with negotiations between several commercial corporations and NTSDC to develop projects in the park. Negotiations for use of 20 MW transformer capacities at the park are underway. Following completion of the negotiations, the power will be available for use. Both the Bush Administration and Congress strongly advocate the increased use of public lands for renewable energy development.
- The International Brotherhood of Teamsters (IBT). IBT created a school at the Nevada Test Site (NTS) for commercial drivers license (CDL) training. During the past year, the IBT/NTS training school taught four off-highway courses and five CDL courses to a total of 46 students. The IBT/NTS Training School conducted a demonstration day to train students on off-highway-related construction equipment including articulated endspills, conventional endspills, and water truck/water pull. A total of 84 jobs has been created or retained through this program.

II.5.9 Oak Ridge Complex

II.5.9.1 Background

The Oak Ridge complex is a large, multi-disciplinary enterprise that spans the technology development continuum from purely basic science to full-scale production deployment capability. Other program areas include environmental remediation, waste management, as well as assets utilization initiatives.

The complex (located in Tennessee) includes the East Tennessee Technology Park, the Oak Ridge Institute for Science and Education, the Department of Energy (DOE) Oak Ridge National Laboratory, and the Y-12 National Security Complex. These facilities provide a formidable resource for developing and deploying basic and applied research and production to assist U.S. industry, support national security goals, and restore areas environmentally impacted by decades of nuclear weapons activity. Over the years, the missions of the Oak Ridge facilities have changed to reflect the Nation's needs and global events.

Primary contractors at the complex include:

Bechtel Jacobs Company, LLC* (East Tennessee Technology Park)

BWXT Y-12, LLC (Y-12 National Security Complex)

Oak Ridge Associated Universities (Oak Ridge Institute for Science and Education)

UT-Battelle, LLC (DOE Oak Ridge National Laboratory)

Wackenhut Services, Inc. - Oak Ridge (Oak Ridge complex-wide)

* Also have workers at Paducah Gaseous Diffusion Plant (Kentucky) and Portsmouth Gaseous Diffusion Plant (Ohio) engaged in environmental remediation and waste management activities.

Note: The Thomas Jefferson National Accelerator Facility, a DOE national laboratory located in Virginia, is also under the auspices of DOE Oak Ridge Operations Office (DOE-ORO). The laboratory is managed and operated by the Southeastern Universities Research Association, Inc.

II.5.9.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2001 numbered 5,792, with 70 percent being voluntary and 30 percent involuntary (Exhibit II.5.9.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 385 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	281	0	281
1995	799	46	845
1996	628	496	1,124
1997	956	631	1,587
1998	317	156	473
1999	252	150	402
2000	620	126	746
2001	211	123	334
Total	4,064	1,728	5,792

Exhibit II.5.9.1 Oak Ridge Complex Contractor Separations

II.5.9.3 Current Work Force Restructuring

In FY 2002, RIF separations numbered 101, with all being involuntary. An additional 539 separations occurred through attrition. (Exhibit II.5.9.2).

Office of Worker and Community Transition

	Site: Oak Ridge Complex	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	539	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	539	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	101	\$0	\$2,894,012	\$2,894,012	\$28,654
2.1	With Benefits (Severance Only)	101	\$0	\$2,894,012	\$2,894,012	\$28,654
2.1.1	Non-Construction Workers	101	\$0	\$2,894,012	\$2,894,012	\$28,654
2.1.2	Construction Workers	0			\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	640	\$0	\$2,894,012	\$2,894,012	\$4,522
4.0	Remaining Affected Workers	41	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	24	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	17	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$29,935	\$541,062	\$570,997	n/a
5.1	Displaced Worker Medical Benefits	85	\$0	\$389,974	\$389,974	\$4,588
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	476	\$0	\$151,088	\$151,088	\$317
5.4	Education Assistance for Separated Workers	18	\$29,935	\$0	\$29,935	\$1,663
6.0	Total Costs for Fiscal Year 2002	n/a	\$29,935	\$3,435,074	\$3,465,009	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	640	n/a	n/a	n/a	\$5,055
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits) ¹	101	n/a	n/a	n/a	\$32,032

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Note: For involuntary separations, an additional \$514,935 in program costs were also paid for "in lieu of 60-day notice pay."

Exhibit II.5.9.2 Oak Ridge Complex Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 138

Preference-in-hiring placements in FY 2002: 16 (12 as rehires, included above)

II.5.9.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at the Oak Ridge complex was \$3,465,009. The estimated fully-burdened cost per involuntary separation was \$32,032 (Exhibit II.5.9.2). The estimated savings in salary and benefits for the 101 RIF separations are \$8.4 million.

II.5.9.5 Outplacement

A Career Center, operated by BWXT Y-12, LLC (BWXT Y-12), is available to those displaced workers at the Oak Ridge complex. Offerings at the Career Center include a variety of services such as resume preparation; correspondence assistance; computer access; job search training; one-on-one counseling; photocopy, fax, and telephone services; workshops; reference library;

and unadvertised job leads. The Career Center, through its website, also allows for resume postings, as well as providing special announcements, workshop schedules, and links to job search sites.

Companies have continued to use the Career Center successfully as an interview location for their open positions, and the DOE prime contractors use the Career Center's services to locate preference-in-hiring eligible employees.

The Career Center will move to a new location in FY 2003. The new location will offer the same services, but will afford easier building access due to the presence of a full-time receptionist.

II.5.9.6 Accomplishments and Lessons Learned

The Adjustment Assistance Coordinating Council, a local stakeholders group hosted by the DOE-ORO's Contractor Human Resources Group, meets at least monthly to share information and concerns. This regular communication has resulted in cooperation among contractors and subcontractors in the Oak Ridge area and enabled questions and concerns about work force restructuring to be resolved more quickly.

A RIF review committee comprising "management and operating" and "management and integrating" contractors review all RIF decisions and their justifications prior to approval by senior management. Special attention is paid to diversity considerations and to impacts in terms of race, gender, disability, age, national origin, performance, and company service.

The Bechtel Jacobs Company, LLC (BJC) continues to provide supervisor training in the nature of a formal Workshop, entitled "Effective Notification." The training, conducted for supervisors responsible for giving RIF notices to their employees, helps to prevent many misunderstandings that may arise between BJC or supervisors and the affected employees.

BWXT Y-12 also uses supervisor training to ensure that managers are effectively trained in giving RIF notices to displaced employees. BWXT Y-12 and other Oak Ridge contractors also utilize the RIF review committee process to review RIF decisions and justifications of all RIF actions prior to submittal to senior management.

The Oak Ridge Institute for Science and Education (ORISE) continued to use reduced work week schedules for some employees due to reduced requirements.

II.5.9.7 Future of the Site

The DOE-ORO Contractor Reduction Impact Group Transfer Agreement was extended through FY 2003. Due to reduced mission requirements, the Human Resources Managers of BWXT Y-12, BJC, and UT-Battelle, LLC (UT-Battelle), with DOE-ORO concurrence, agreed to allow Reduction Impact Group Employees (salaried and bargaining-unit) to transfer among each other with continuity of service. Allowing this continuity of service credits in cases of involuntary RIF actions, will reduce relocation costs, hiring and training costs, avoid or defer severance costs associated with these reductions, as well as lessen the impact of these employment reductions on individuals and the community.

Due to the BJC closure plan work, there will be some adjustments to the skills mix, which will result in approximately 100 separations. BJC will need to hire 150 additional employees due to increased scope, and to acquire the desired skills mix.

The Y-12 National Security Complex mission will be integrating and manufacturing, engineering, and developing technologies essential to the National Security Program with an emphasis on safety and protecting the environment. A major portion of work will be modernization of the site. An emphasis will be placed on hiring and maintaining workers with critical skills. Capability for nuclear weapons component production and quality evaluations will be maintained, as well as that for dismantling and storing nuclear materials from retired weapons systems. No major downsizing initiatives are expected during the year; however, small layoffs may occur as well as a limited amount of new hiring due to skills mix issues.

The Spallation Neutron Source (SNS) is an accelerator-based neutron source being built in Oak Ridge by DOE. The SNS will provide the most intense-pulsed neutron beams in the world for scientific research and industrial development. The SNS project involves a partnership among six DOE National Laboratories (Argonne, Brookhaven, Lawrence Berkeley, Los Alamos, Oak Ridge, and Thomas Jefferson) and is scheduled for completion in 2006.

The SNS project is on-schedule and continues to hire new critical skills and support employees needed to keep the project on target. The subcontracted construction effort will employ up to 400 construction workers including skilled crafts from the local area during peak activity in FY 2002 and FY 2003.

For FY 2003 planning purposes, UT-Battelle assumes that DOE's Oak Ridge National Laboratory replacement hiring activity will remain rather low and stable with continued hiring of strategic personnel, and the ramp up of personnel at the SNS.

ORISE is anticipating a need for a small number of reductions (projected at 10) in FY 2003.

Wackenhut Services, Inc. - Oak Ridge is not anticipating any RIF actions in FY 2003.

II.5.9.8 Community Transition

The Community Reuse Organization of East Tennessee (CROET) was established in November 1995, replacing the East Tennessee Economic Council as the local community reuse organization (CRO). CROET is a nonprofit economic development organization that assists the private sector in creating quality jobs in the region by using the underutilized land, facilities, equipment, personnel, and technologies available at the Oak Ridge Complex. As the CRO for the region, CROET is the community's primary voice to DOE for community transition issues. It continues to be involved in leasing agreements that encourage the reindustrialization of the East Tennessee Technology Park and fosters economic development in the affected communities through federal grants.

As of September 30, 2002, a total of about \$58 million was committed to the CRO and the management and operating contractor and approximately \$56 million was spent. A total of 5,511 jobs was created or retained, with an additional 891 jobs projected by FY 2005.

Exhibit II.5.9.3 provides a summary of all projects funded between FY 1995 and September 30, 2002.

From FY 1995 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
Completed Projects							
Workforce Restructuring Planning Assistance Grant*	\$300,000	\$0	\$300,000	\$217,598	0	\$0	0
Oak Ridge Centers for Manufacturing Technology	\$10,000,000	\$0	\$10,000,000	\$10,000,000	1,358	\$7,364	1,358
Manufacturing Skills Campus	\$17,302,000	\$0	\$17,302,000	\$17,302,000	1,208	\$14,323	1,208
East Tennessee 2000-Feasibility Studies*	\$100,000	\$0	\$100,000	\$100,000	0	\$0	0
21st Century Jobs Initiative*	\$750,000	\$0	\$750,000	\$717,444	0	\$0	0
Technology 2020 - Regional Research and Development Initiatives	\$1,500,000	\$0	\$1,500,000	\$1,493,595	12	\$124,466	12
Reuse of DOE Facilities and Land - Technical Assistance	\$100,000	\$0	\$100,000	\$100,000	0	\$0	0
East Tennessee 2001: Implementing the Vision	\$12,100,000	\$0	\$12,100,000	\$12,100,000	1,245	\$9,719	1,577
City of Oak Ridge/Roane and Anderson Counties' Projects	\$1,100,000	\$0	\$1,100,000	\$1,100,000	598	\$1,839	1,250
National Electronics Center Recycling Project	\$4,000,000	\$0	\$4,000,000	\$4,000,000	29	\$137,931	60
Current Projects							
New Business Development - DOE Small Business Grant	\$2,000,000	\$0	\$2,000,000	\$2,000,000	337	\$5,935	350
East Tennessee 2002	\$8,749,500	\$0	\$8,749,500	\$6,794,736	724	\$9,385	587
Totals	\$58,001,500	\$0	\$58,001,500	\$55,925,373	5,511	\$10,148	6,402

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.9.3 Oak Ridge Complex Community Transition Funding and Job Creation by Project

The following is an update on the major East Tennessee 2002 accomplishments of CROET during FY 2002:

- Horizon Center Industrial Park. The initial construction phase of the Horizon Center Industrial Park was completed. CROET is partnering with other local and regional economic development entities to leverage limited marketing resources. The Theragenics Corporation facility is the first tenant to locate at Horizon Center, with process certification complete. This \$30.0 million, 100,000-square-foot facility is expected to house 240 employees working toward the production of a medical isotope that uses a patented process to diagnose and treat cancer.
- National Transportation Research Center (NTRC). The new NTRC 85,000-square-foot facility was completed in October 2000 to house 165 Oak Ridge National Laboratory (ORNL) and University of Tennessee (UT) staff, along with support contractors from the area. The total number of staff is now over 180. CROET funds were used to complete

and equip 12 research laboratories to serve as unique user facilities for industry, universities, and for ORNL and UT staff. The total investment in the NTRC, including equipment, is estimated to be well over \$15 million.

The NTRC was awarded a \$1 million grant from the Federal Highway Administration to develop a Heavy Vehicle Safety Research Center. It also is the recipient of a grant from the Knox Metropolitan Planning Commission and the State of Tennessee to set up a prototype regional Traffic Management Center. Also, several new Cooperative User Agreements with private industry are under discussion and should be completed soon.

- Regional Economic Diversification and Workforce Development Grants. Funds were granted to equip a Computer Science Technology classroom to provide training for comprehensive workplace skills. Funds were provided to develop new industrial parks and to develop and implement marketing plans to attract commerce and industry to the region. Funds were also used to construct an electric substation and to develop and implement a Work Preparedness and Training program targeting displaced workers and abused women.
- Manufacturing Skills Campus (Campus). The Campus offers specialized, advanced craft skills training in the areas of precision machining, industrial maintenance, machine tool maintenance, and metrology. Instructors are skilled craft workers with an average of over 20 years of precision manufacturing experience. As part of its mission to retrain workers to maintain national security core competencies, the Campus trains the Y-12 work force on new technologies to assure Y-12 becomes a flexible, science-based manufacturing facility capable of making the variety of materials and components needed for national security. To date, the Campus has trained 494 students.

II.5.10 Ohio Field Office

II.5.10.1 Background

The Department of Energy (DOE) Ohio Field Office is responsible for environmental restoration, waste management, and other DOE mission activities at five sites: four in Ohio and one in New York. Of these sites, only Fernald and Mound (each located in Ohio) are designated as defense nuclear facilities.

Fernald (Fernald Environmental Management Project) is a former uranium processing facility which supported the Nation's defense program and is now undergoing environmental remediation. This effort is being managed by Fluor Fernald. Effective January 2003, the new site name will be Fernald Closure Project.

Mound (Miamisburg Environmental Management Project) is a facility where nuclear research, design, development, manufacturing and testing of nuclear weapons and spacecraft components were done. Mound is also undergoing environmental remediation, and BWX Technologies of Ohio, Inc. (BWXT) managed this effort during FY 2002. Effective January 2003, the new site name will be Mound Closure Project, and CH2M Hill Mound, Inc. will replace BWXT.

II.5.10.2 History of Work Force Restructuring

Fernald

Total separations from FY 1993 through FY 2001 numbered 1,290, with 85 percent being voluntary and 15 percent involuntary (Exhibit II.5.10.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 99 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	62	192	254
1995	397	0	397
1996	356	0	356
1997	0	0	0
1998	12	0	12
1999	70	0	70
2000	153	0	153
2001	48	0	48
Total	1,098	192	1,290

Exhibit II.5.10.1 Fernald Contractor Separations

Mound

Total separations from FY 1993 through FY 2001 numbered 1,201, with 72 percent being voluntary and 28 percent involuntary (Exhibit II.5.10.2). Note: Beginning with FY 2001, the table below reflects only RIF separations. Also in FY 2001, an additional 48 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	409	7	416
1995	173	34	207
1996	185	19	204
1997	28	156	184
1998	31	1	32
1999	2	0	2
2000	0	0	0
2001	37	119	156
Total	865	336	1,201

Exhibit II.5.10.2 Mound Contractor Separations

II.5.10.3 Current Work Force Restructuring**Fernald**

In FY 2002, RIF separations numbered 242, with 84 being voluntary and 158 involuntary. An additional 25 separations occurred through attrition (Exhibit II.5.10.3).

	Site: Fernald	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	109	\$0	\$1,166,317	\$1,166,317	\$10,700
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	84	\$0	\$1,166,317	\$1,166,317	\$13,885
1.3	Attrition	25	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	158	\$0	\$1,912,604	\$1,912,604	\$12,105
2.1	With Benefits (Severance Only)	138	\$0	\$1,912,604	\$1,912,604	\$13,859
2.1.1	Non-Construction Workers	138	\$0	\$1,912,604	\$1,912,604	\$13,859
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	20	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	267	\$0	\$3,078,921	\$3,078,921	\$11,532
4.0	Remaining Affected Workers	12	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	12	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$329,481	\$329,481	n/a
5.1	Displaced Worker Medical Benefits	94	\$0	\$212,285	\$212,285	\$2,258
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	61	\$0	\$114,136	\$114,136	\$1,871
5.4	Education Assistance for Separated Workers	3	\$0	\$3,060	\$3,060	\$1,020
6.0	Total Costs for Fiscal Year 2002	n/a	\$0	\$3,408,402	\$3,408,402	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	267	n/a	n/a	n/a	\$14,340
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	84	n/a	n/a	n/a	\$17,263
9.0	Involuntary Separations (All Benefits) ¹	138	n/a	n/a	n/a	\$17,237

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit II.5.10.3 Fernald Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 5

Rehires in FY 2002: 0

Preference-in-hiring placements in FY 2002: 0

Mound

In FY 2002, there were no RIF separations. However, 36 separations occurred through attrition (Exhibit II.5.10.4).

Office of Worker and Community Transition

	Site: Mound	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	36	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	36	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Severance Only)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	36	\$0	\$0	\$0	\$0
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$53,983	\$90,073	\$144,056	n/a
5.1	Displaced Worker Medical Benefits	15	\$53,983	\$90,073	\$144,056	\$9,604
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2002	n/a	\$53,983	\$90,073	\$144,056	n/a
7.0	Work Force Restructuring Separations (Average Cost)	36	n/a	n/a	n/a	\$0
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0

Note: Attrition (line 1.3) includes 5 workers who received severance. Costs associated with attrition are not tracked via this spreadsheet.

Exhibit II.5.10.4 Mound Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 35

Preference-in-hiring placements in FY 2002: 30 (25 as rehires, included above)

II.5.10.4 Costs and Cost Savings

Fernald

The total work force restructuring cost incurred in FY 2002 was \$3,408,402. The estimated fully-burdened cost per non-retirement voluntary separation was \$17,263 and \$17,237 per involuntary separation (Exhibit II.5.10.3). The estimated savings in salary and benefits for the 242 RIF separations are \$20.2 million.

Mound

The total work force restructuring cost incurred in FY 2002 was \$144,056, all of which funded displaced worker medical benefits (Exhibit II.5.10.4).

II.5.10.5 Outplacement

Fernald

During FY 2002, Fernald continued to operate an onsite Career Development Center (CDC). The CDC provided assistance to employees in resume preparation, interviewing skills, networking skills, and outplacement networks within Fluor Fernald and the local community including onsite job fairs. Fernald also continued its tuition reimbursement program for employees. In FY 2002, the CDC had 211 employees enrolled in degree programs through various local accredited colleges and universities.

Fernald contracted Lee Hecht Harrison (LHH), a career management consulting firm, to provide career transition services to employees affected by the voluntary and involuntary separation programs. LHH provided individual career transition counseling and job lead development with experienced professional job transition consultants. More than 60 separated employees used the LHH services in FY 2002.

Mound

During FY 2002, there were no outplacement activities.

II.5.10.6 Accomplishments and Lessons Learned

Fernald

Fernald contracted with William M. Mercer, Inc., to develop a process for conducting voluntary and involuntary separation programs. In FY 2002, Fernald conducted two cycles of voluntary and involuntary separations.

Mound

State-funded outplacement services typically cater to unskilled and semiskilled minimum-wage positions. To augment this, any future outplacement services that may be required should be provided by a professional outplacement firm.

II.5.10.7 Future of the Sites

Fernald and Mound are still targeted for closure in 2006.

II.5.10.8 Community Transition

Fernald

The Fernald Community Reuse Organization (CRO) was established in FY 1997 when initial planning activities for the development of a community economic development program was initiated. A business incubator feasibility study is the principal economic development program planned by the CRO. In FY 2001, the CRO was placed in an inactive status which continued throughout FY 2002. The inactive status is expected to be lifted in FY 2003 when some of the CRO's planned activities will be implemented, however, on a limited basis.

As of September 30, 2002, a total of \$736,921 was committed to the CRO, of which \$460,281 has been spent.

Exhibit II.5.10.5 provides a summary of the planning grant funded between FY 1997 and September 30, 2002.

From FY 1997 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
Start Up/Planning Grant*	\$736,921	\$0	\$736,921	\$460,281	0	\$0	0
Totals	\$736,921	\$0	\$736,921	\$460,281	0	\$0	0

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.10.5 Fernald Community Transition Funding and Job Creation by Project

Mound

The eventual closure of the Mound facility initiated new roles and responsibilities for DOE and led to the establishment of the Miamisburg Mound Community Improvement Corporation (MMCIC). The MMCIC is a not-for-profit corporation established by the City of Miamisburg in FY 1997 to redevelop and reuse the Mound site as well as transfer its assets for reuse. The MMCIC was chartered with the vision of establishing the site as an economically-viable, privately-owned technology and industry center called the Mound Advanced Technology Center by FY 2005. In response to the challenges presented by the commercialization of the Mound facility, the MMCIC developed the Miamisburg Mound Comprehensive Reuse Plan. This plan,

scheduled to be updated in early FY 2003, details a long-range development and implementation strategy for the Mound transition. The technology and industrial park strategy is considered the highest and best use of the site primarily because it works within the limitations created by environmental constraints, market, financial, and political realities, as well as local economic development goals.

MMCIC is now focusing on the commercialization of the Mound site. The mission of the partnership between DOE and the local community (represented by MMCIC) is to identify and assemble the resources and capabilities needed to address the impacts resulting from Mound's closure. The shared goal is to complete cleanup in a timely manner and help MMCIC to achieve the successful reuse of Mound.

As of September 30, 2002, a total of \$25.2 million has been committed to the MMCIC, of which \$14.4 million has been spent. A total of 575 jobs has been created or retained thus far and an additional 555 jobs are projected by FY 2005.

Exhibit II.5.10.6 provides a summary of all projects funded between FY 1994 and September 30, 2002.

From FY 1994 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
CRO Planning*	\$0	\$200,000	\$200,000	\$200,000	0	\$0	0
Total Miamisburg Mound Economic Development Plan	\$14,150,000	\$0	\$14,150,000	\$11,542,651	575	\$20,074	1,130
Facilities Transition Grant	\$10,000,000	\$0	\$10,000,000	\$2,678,401	0	\$0	0
Work Authorization Directive Fund	\$550,000	\$0	\$550,000	\$0	0	\$0	0
Comprehensive Reuse Plan Update	\$300,000	\$0	\$300,000	\$0	0	\$0	0
Totals	\$25,000,000	\$200,000	\$25,200,000	\$14,421,052	575	\$25,080	1,130

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.10.6 Mound Community Transition Funding and Job Creation by Project

The following provides an update on the major accomplishments of selected FY 2002 projects:

- The entrance to the "Smart Park" was completed in FY 2002 with signage, lighting, and landscaping.

- Building improvements were made to consolidate an existing tenant's operations into one facility with room for expansion. The firm plans to hire 15 additional workers over the next three years as a result of this action.
- The MMCIC rerouted electric, telephone and communication utilities within the Test Valley area. Power for the area was transferred from steam heat provided by DOE to gas provided by the local private utility.
- Improvements made during FY 2002 include a new telecommunications line for one building and the installation of a new boiler in another.
- During FY 2002, a study was prepared for selected parcels to determine the properties' market potential, property absorption rate, market value and product definition. Efforts are underway to assist MMCIC in marketing available building space.
- The Mound Advanced Technology Center website was updated.

II.5.11 Paducah and Portsmouth Gaseous Diffusion Plants

II.5.11.1 Background

The Paducah Gaseous Diffusion Plant (Paducah) began production of enriched uranium in 1952. Its mission of uranium enrichment has remained unchanged, and the original facilities are still in operation, albeit substantially upgraded and refurbished. Paducah is located in Kentucky.

The Portsmouth Gaseous Diffusion Plant (Portsmouth), built in the 1950s, was needed to provide uranium-235 at rates substantially above those of the existing production facilities at Oak Ridge, Tennessee, and Paducah, Kentucky. Portsmouth was chosen in the late 1970s as the site for a new enrichment facility using gas centrifuge technology. Construction, however, was halted in 1985 because the demand for enriched uranium decreased, and laser technology promised a more efficient and economical supply of enriched uranium for the future. Uranium enrichment activities ceased in May 2001. Portsmouth is located in Ohio.

The Energy Policy Act of 1992 mandated that the management of the uranium enrichment enterprise at Paducah and Portsmouth be assumed by the United States Enrichment Corporation, Inc. (USEC). As a result, the Department of Energy (DOE) and USEC entered into a 6-year lease, effective July 1, 1993.

USEC, the sole producer of enriched uranium in the United States, became a private corporation on July 28, 1998. USEC is the world's leading supplier of enriched uranium fuel for commercial nuclear power plants.

II.5.11.2 History of Work Force Restructuring

Paducah (USEC)

Total separations from FY 1997 through FY 2001 numbered 247, with 87 percent being voluntary and 13 percent involuntary (Exhibit II.5.11.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations.

Fiscal Year	Voluntary	Involuntary	Total
1997	7	7	14
1998	4	0	4
1999	77	0	77
2000	104	23	127
2001	23	2	25
Total	215	32	247

Exhibit II.5.11.1 Paducah Contractor Separations

Portsmouth (USEC)

Total separations from FY 1995 through FY 2001 numbered 1,020, with 79 percent being voluntary and 21 percent involuntary (Exhibit II.5.11.2). Note: Beginning with FY 2001, the table below reflects only RIF separations.

Fiscal Year	Voluntary	Involuntary	Total
1995	49	0	49
1996	40	0	40
1997	37	67	104
1998	53	0	53
1999	130	0	130
2000	206	103	309
2001	293	42	335
Total	808	212	1,020

Exhibit II.5.11.2 Portsmouth Contractor Separations

II.5.11.3 Current Work Force Restructuring

Paducah (USEC)

In FY 2002, RIF separations numbered 17, with 7 being voluntary and 10 involuntary (Exhibit II.5.11.3).

Office of Worker and Community Transition

Site: Paducah (USEC)		FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	7	\$0	\$0	\$0	\$0
1.1	Early Retirement	7	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	0	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	10	\$0	\$97,000	\$97,000	\$9,700
2.1	With Benefits (Severance Only)	7	\$0	\$97,000	\$97,000	\$13,857
2.1.1	Non-Construction Workers	7	\$0	\$97,000	\$97,000	\$13,857
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	3	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	17	\$0	\$97,000	\$97,000	\$5,706
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$0	\$0	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2002	n/a	\$0	\$97,000	\$97,000	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	17	n/a	n/a	n/a	\$7,097
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits) ¹	7	n/a	n/a	n/a	\$17,235

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit II.5.11.3 Paducah Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 0

Preference-in-hiring placements in FY 2002: 0

Portsmouth (USEC)

In FY 2002, RIF separations numbered 140, with 131 being voluntary and 9 involuntary (Exhibit II.5.11.4).

	Site: Portsmouth (USEC)	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	131	\$1,670,800	\$0	\$1,670,800	\$12,754
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	131	\$1,670,800	\$0	\$1,670,800	\$12,754
1.3	Attrition	0	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	9	\$0	\$78,416	\$78,416	\$8,713
2.1	With Benefits (Severance Only)	9	\$0	\$78,416	\$78,416	\$8,713
2.1.1	Non-Construction Workers	9	\$0	\$78,416	\$78,416	\$8,713
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	140	\$1,670,800	\$78,416	\$1,749,216	\$12,494
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$1,328,294	\$0	\$1,328,294	n/a
5.1	Displaced Worker Medical Benefits	198	\$777,069	\$0	\$777,069	\$3,925
5.2	Relocation Assistance	45	\$113,640	\$0	\$113,640	\$2,525
5.3	Separating or Separated Workers Using Outplacement	242	\$201,803	\$0	\$201,803	\$834
5.4	Education Assistance for Separated Workers	178	\$235,782	\$0	\$235,782	\$1,325
6.0	Total Costs for Fiscal Year 2002	n/a	\$2,999,094	\$78,416	\$3,077,510	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	140	n/a	n/a	n/a	\$15,872
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	131	n/a	n/a	n/a	\$16,132
9.0	Involuntary Separations (All Benefits) ¹	9	n/a	n/a	n/a	\$12,091

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit II.5.11.4 Portsmouth Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 66

Preference-in-hiring placements in FY 2002: 56 (all rehires, included above)

II.5.11.4 Costs and Cost Savings

Paducah (USEC)

The total work force restructuring cost incurred in FY 2002 was \$97,000. The estimated fully-burdened cost per involuntary separation was \$17,235 (Exhibit II.5.11.3). The estimated savings in salary and benefits for the 17 RIF separations are \$1.4 million.

Portsmouth (USEC)

The total work force restructuring cost incurred in FY 2002 was \$3,077,510. The estimated fully-burdened cost per non-retirement voluntary separation was \$16,132 and \$12,091 per involuntary separation (Exhibit II.5.11.4). The estimated savings in salary and benefits for the 140 RIF separations are \$11.7 million.

II.5.11.5 Outplacement

Career Resource Centers (Center) are located at both Paducah and Portsmouth. The Centers are available to assist displaced workers in developing career plans, executing job searches, and looking for retraining and employment opportunities. They also provide aptitude and skills assessments; job analysis (present and future); information on job demand and supply; wage information; and access to school, training, and unemployment information. Other services include assistance in preparing resumes and cover letters, filling out requests for training records and transcripts, and reproducing and transmitting materials. A library of resource materials is located at each Center.

II.5.11.6 Accomplishments and Lessons Learned

The relocation and consolidation of the uranium enrichment transfer and shipping operations from Portsmouth to Paducah will result in estimated annual cost savings of about \$40 million beginning in fiscal year 2003. The cost savings will result from appropriate work force restructuring actions at Portsmouth and lower overhead, utilities and materials costs.

II.5.11.7 Future of the Sites

The uranium enrichment transfer and shipping operation has been relocated from Portsmouth to Paducah. This was expected to impact some 440 USEC positions at Portsmouth starting in June 2002 and continuing over an estimated 6-month period. However, on June 17, 2002, USEC and DOE signed an Agreement that included the site selection for deployment of the Lead Cascade Centrifuge Enrichment Technology at either Portsmouth or Paducah which will create new jobs. Also, the Agreement started a new Contaminated Feed Cleanup Program which reduced the number of impacted employees at Portsmouth from 440 to 140.

Portsmouth will be maintained in a cold standby mode which reduced the number of employees affected by termination of enrichment activities.

II.5.11.8 Community Transition

Paducah

The Paducah-Area Community Reuse Organization (PACRO) was established in August 1997 to mitigate the effects of DOE work force restructuring at the Paducah Gaseous Diffusion Plant in Paducah, Kentucky. The PACRO impact area was designed to represent the counties where the majority of the Paducah work force live: McCracken, Ballard, Graves, and Marshall Counties in western Kentucky, and Massac County in southern Illinois. The PACRO is governed by a 26-member Executive Committee representing such areas as business, labor, education, and economic development from impacted counties. A General Assembly of approximately 60

members, who participate in various PACRO subcommittees, advises the Executive Committee and an 11-member Finance Committee and approves all financial matters.

As of September 30, 2002, a total of \$8.4 million was committed for community transition activities in the Paducah area and slightly over \$8 million was spent. Of this total expenditure, almost \$6 million was spent for industrial parks, sites, and speculative buildings. A total of 423 jobs was created or retained, with an additional 316 jobs projected by FY 2005.

Exhibit II.5.11.5 provides a summary of all projects funded between FY 1997 and September 30, 2002.

Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
FY 1998 Planning Grant*	\$400,000	\$0	\$400,000	\$400,000	0	\$0	0
Entrepreneurial Development	\$608,218	\$0	\$608,218	\$601,875	52	\$11,575	60
Facility Reuse	\$398,000	\$0	\$398,000	\$274,992	10	\$27,499	40
Industrial Parks, Sites & Spec Buildings							548
Regional Park	\$263,928	\$0	\$263,928	\$263,928	0	\$0	0
Infrastructure - County Parks	\$2,852,482	\$0	\$2,852,482	\$2,852,482	250	\$11,410	0
Spec Buildings	\$2,400,000	\$0	\$2,400,000	\$2,400,000	0	\$0	0
Regional Marketing	\$115,000	\$0	\$115,000	\$115,000	0	\$0	10
Workforce Reuse	\$439,500	\$0	\$439,500	\$316,685	111	\$2,853	44
Existing Business and Industry	\$342,397	\$0	\$342,397	\$221,899	0	\$0	37
Administration*	\$580,475	\$0	\$580,475	\$580,475	0	\$0	0
Totals	\$8,400,000	\$0	\$8,400,000	\$8,027,336	423	\$18,977	739

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.11.5 Paducah Community Transition Funding and Job Creation by Project

The following is an update of currently funded PACRO projects:

- Work Force Reuse Program. PACRO and the PACE Union Local developed a Skills Assessment Database that has helped to employ 111 of the 250 workers, to date, who lost their plant jobs. These jobs were created at equal pay and benefits by encouraging cleanup activities and private-sector spinoffs at the site.
- Entrepreneurial Program. PACRO established a revolving low-interest loan fund of \$402,718. Four business loans, totaling \$229,275, were approved for United States Enrichment Corporation employees who lost their jobs. These four start-up businesses created/retained 52 jobs.

- Industrial Parks, Sites and Speculative Buildings. PACRO granted \$2,852,482 to the counties in the impact area to create five county industrial parks capable of supporting small to medium-sized industries. As part of this project, PACRO created a revolving-loan fund of \$2.4 million for use by each county to build a speculative building in its industrial park.
- Existing Business and Industry Program. PACRO provided seed money to create an existing business and industry program in each of the five impacted counties. Over the next 2 years, the county programs will be evaluated on job retention and creation impacts, and further funds will be allocated to programs showing success.
- Facility Reuse Program. PACRO is working with DOE and on-site contractors to reuse material as it becomes available from the plant. Since the Paducah site is still active, this has been a slow process. PACRO saved DOE \$2.5 million in cleanup costs and created/retained 10 jobs by working with a private contractor to remove 75 fluorine cells and associated on-site equipment.

Portsmouth

The Southern Ohio Diversification Initiative (SODI) was incorporated in July 1997 to serve as the community reuse organization (CRO) for the DOE Portsmouth site in Piketon, Ohio. Prior to incorporation, a \$500,000 planning grant was awarded to the Ohio Valley Regional Development Commission (OVRDC) for community transition activities. SODI operated under the auspices of OVRDC from February 1996 until DOE implementation funds were awarded in 1998.

As of September 30, 2002, a total of about \$14.2 million was committed to SODI for community transition activities and about \$10.2 million was spent. Of this expenditure, \$5.3 million was spent on three industrial parks-- Zahn's Corner, New Boston Industrial Park, and Gateway Industrial Park. A total of 887 jobs was created or retained, with an additional 2,192 jobs expected to be created by FY 2005.

Exhibit II.5.11.6 provides a summary of all projects funded between FY 1996 and September 30, 2002.

From FY 1996 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
Zahn's Corner	\$2,835,000	\$0	\$2,835,000	\$2,384,111	400	\$5,960	600
New Boston Industrial Park	\$2,550,000	\$0	\$2,550,000	\$2,000,000	150	\$13,333	535
Jackson County Speculative Building	\$650,000	\$0	\$650,000	\$650,000	0	\$0	300
Worker Training Facility/Program	\$500,000	\$0	\$500,000	\$71,245	0	\$0	0
Gateway Industrial Park	\$1,150,000	\$0	\$1,150,000	\$950,000	30	\$31,667	500
Pike County Infrastructure	\$70,000	\$0	\$70,000	\$70,000	55	\$1,273	200
Reindustrialization	\$250,000	\$0	\$250,000	\$151,817	90	\$1,687	225
Enterprise Training and Development	\$1,200,000	\$0	\$1,200,000	\$950,000	101	\$9,406	125
Pike County Airport	\$280,000	\$0	\$280,000	\$255,000	0	\$0	4
Regional GIS*	\$1,399,996	\$0	\$1,399,996	\$1,399,996	0	\$0	0
OVRDC CT Planning Grant	\$500,000	\$0	\$500,000	\$500,000	60	\$8,333	60
Southern Ohio Labor Market Analysis*	\$30,000	\$0	\$30,000	\$30,000	0	\$0	0
Incubator Facility	\$385,000	\$0	\$385,000	\$40,733	1	\$40,733	480
Business Seed Fund	\$350,000	\$0	\$350,000	\$0	0	\$0	35
Regional Marketing*	\$350,000	\$0	\$350,000	\$4,005	0	\$0	0
Intermodal Facility	\$300,000	\$0	\$300,000	\$23,940	0	\$0	15
Administration*	\$1,355,018	\$0	\$1,355,018	\$684,118	0	\$0	0
Totals	\$14,155,014	\$0	\$14,155,014	\$10,164,965	887	\$11,460	3,079

* Funds used for planning and administrative purposes. Job creation not intended.

Exhibit II.5.11.6 Portsmouth Community Transition Funding and Job Creation by Project

The following is an update on the major FY 2002 accomplishments of selected SODI projects:

- SODI is committed to productive reuse of the gaseous diffusion plant and in FY 2002 worked collaboratively with the State of Ohio's Department of Development to maintain the viability of the DOE Portsmouth Plant as an industrial site. The DOE announced the construction of a Depleted Uranium Hexafluoride plant that will create up to 300 construction jobs and 165 permanent jobs at the DOE site. Also, SODI was a critical member of an Ohio Team that generated and presented an Ohio proposal that resulted in the United States Enrichment Corporation (USEC) selecting Piketon, Ohio, for its Centrifuge Enrichment Lead Cascade Project. The project reestablishes Piketon's role in the Nation's nuclear energy fuel cycle and positions the site to support the commercial enrichment plant, which will employ 600 workers.
- The Zahn's Corner Industrial Park supported a 250-employee expansion and the Gateway Industrial Park landed a new tenant with 60 new jobs. To date, SODI Industrial Development projects have brought nearly 700 new jobs to the Pike, Scioto, Ross, and

Jackson county area. SODI directly manages the Zahn's Corner Industrial Park, one of four industrial parks benefitting from Office of Worker and Community Transition funding, and plans to double the park's existing acreage by 2004.

- SODI focused on enhancing the skills of the regional work force by offering an Early Education Assistance program to workers at risk of becoming laid off at the DOE Portsmouth site. The program funded 1,266 individual courses and served 338 at-risk employees. The effort will continue in 2003 with financial participation from the Ohio Department of Development and USEC.
- In an effort to cultivate new business start-ups, small business expansions, and work force enrichment, SODI and Ohio State University (OSU) are jointly constructing a 28,000-square-foot business incubator-learning center using a \$1.92 million grant from the Economic Development Administration. The funds are being combined with an OSU pledge of \$900,000 and an Ohio Governor's Office of Appalachia commitment of \$270,000. SODI will provide \$700,000 in operating funds from its DOE funding. The primary feeder program for the incubator will be the Enterprise Training and Development program and Business Seed Fund. The revolving-loan fund has already trained more than 200 individuals, supported 21 business start-ups and created 101 new jobs.

II.5.12 Pantex Plant

II.5.12.1 Background

The Pantex Plant (Pantex) provides the capabilities to assemble nuclear and non-nuclear components into nuclear weapons, to disassemble retired nuclear weapons, and to perform surveillance activities to ensure stockpile reliability and safety. Pantex, located in Texas, is managed by BWX Technologies Pantex, LLC.

II.5.12.2 History of Work Force Restructuring

Total separations from FY 1997 through FY 2001 numbered 564, with all being voluntary (Exhibit II.5.12.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 109 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1997	407	0	407
1998	64*	0	64
1999	16*	0	16
2000	77	0	77
2001	0	0	0
Total	564	0	564

* All through attrition.

Exhibit II.5.12.1 Pantex Plant Contractor Separations

II.5.12.3 Current Work Force Restructuring

In FY 2002, there were no RIF separations. However, 158 separations did occur through attrition (Exhibit II.5.12.2).

	Site: Pantex Plant	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	158	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	158	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Severance Only)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	158	\$0	\$0	\$0	\$0
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$7,359	\$7,359	n/a
5.1	Displaced Worker Medical Benefits	2	\$0	\$2,625	\$2,625	\$1,313
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	2	\$0	\$4,734	\$4,734	\$2,367
6.0	Total Costs for Fiscal Year 2002	n/a	\$0	\$7,359	\$7,359	n/a
7.0	Work Force Restructuring Separations (Average Cost)	158	n/a	n/a	n/a	\$0
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0

Exhibit II.5.12.2 Pantex Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 0

Preference-in-hiring placements in FY 2002: 0

II.5.12.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at Pantex was \$7,359, which funded medical benefits and educational assistance for separated workers. No costs were incurred for relocation assistance or outplacement (Exhibit II.5.12.2).

II.5.12.5 Outplacement

There were no outplacement services offered at Pantex during FY 2002.

II.5.12.6 Accomplishments and Lessons Learned

Pantex continues to conduct detailed work force planning by integrating work scope, priorities, skills mix, funding, facility availability and work force demographic and historical analysis to plan for future needs. Proactive hiring prepares Pantex for future work while retaining critical skills.

II.5.12.7 Future of the Site

Work on the Weapons Life Extension Program is considered essential and will continue for the next decade. The Pantex budgeted workload for FY 2003 will support a population of approximately 3,300 workers. Projections call for a relatively-stable worker population through FY 2005. After that, increases in projected workload for Weapons Life Extension Program activities, together with increased surveillance activities, will require an increase in staff. These higher staff levels will continue from FY 2006 through FY 2016, at which point the workload will again level off, with the focus being continued evaluation and maintenance of the stockpile.

II.5.13 Pinellas Plant

II.5.13.1 Background

The Pinellas Plant (Pinellas) manufactured neutron generators and other components from 1957 to 1994. In FY 1994, the Department of Energy (DOE) initiated its weapons complex reconfiguration plan, which included termination of all defense programs activities at Pinellas. The decision was announced to close Pinellas and to eliminate the just over 1,000 jobs by the end of FY 1997. From FY 1994 through FY 1997, Pinellas was placed in a safe condition, contaminated areas were cleaned, and all site property, materials, equipment, and records were disposed of. DOE sold Pinellas to a local economic development agency in FY 1995. Pinellas is located in Florida.

The Pinellas work force restructuring effort was efficient and effective in transitioning from weapons production to commercial use resulting in benefits to both DOE and the community. DOE has successfully concluded the work force restructuring activities at Pinellas.

II.5.13.2 Community Transition

In August 1993, the Pinellas community formed a task force consisting of national, state, local, political, business, and special interest organizations that would be impacted by ending the Pinellas mission. The original stakeholder structure evolved into the Pinellas community reuse organization (CRO), which was established by DOE in January 1995. The mission of the CRO is to mitigate the adverse consequences of closing the former DOE weapons plant and utilize its resources to help maintain the technologies developed at the plant.

As of September 30, 2002, a total of about \$21.3 million was committed to the Pinellas CRO for community transition activities in the Pinellas community and slightly more than \$20.2 million was spent. A total of 3,038 jobs was created or retained, with an additional 472 jobs projected by FY 2005.

Exhibit II.5.13.1 provides a summary of all projects funded between FY 1994 and September 30, 2002.

From FY 1994 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
Community Stakeholder Planning*	\$400,000	\$100,000	\$500,000	\$500,000	0	\$0	0
Innovation Commercialization Program	\$587,000	\$0	\$587,000	\$587,000	450	\$1,304	450
Pinellas Plant Sale	\$13,192,900	\$0	\$13,192,900	\$12,261,000	2,328	\$5,267	2,800
Pinellas Plant Seed Projects	\$1,275,000	\$0	\$1,275,000	\$1,275,000	24	\$53,125	24
Pinellas Plant Spin-Offs	\$200,000	\$0	\$200,000	\$200,000	9	\$22,222	9
Seed/Challenge Funds	\$579,700	\$0	\$579,700	\$579,700	15	\$38,647	15
Suncoast Manufacturing Technology Center	\$334,700	\$0	\$334,700	\$334,700	125	\$2,678	125
Technology Deployment Center	\$4,388,000	\$0	\$4,388,000	\$4,388,000	87	\$50,437	87
CRO Administration*	\$209,900	\$0	\$209,900	\$108,600	0	\$0	0
Totals	\$21,167,200	\$100,000	\$21,267,200	\$20,234,000	3,038	\$6,660	3,510

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.13.1 Pinellas Plant Community Transition Funding and Job Creation by Project

The following is an update of the major FY 2002 accomplishments of selected projects funded by the Pinellas CRO:

- The Young-Rainey STAR Center. The Center used the additional funding awarded by DOE during this year to begin the roof resurfacing of the main building that houses the anchor tenant and several other high-tech companies. Funds were also used to procure and install a sub-metering system for each of the major tenants consuming approximately 80 percent of the total cost of the site electric power. This project will significantly reduce unrecovered costs, previously estimated by formula, and insure tenants that they will pay for their exact energy usage.
- STAR Center Website. The CRO developed a website, (<http://www.young-raineystarcenter.org>), that links to all appropriate DOE websites, as well as those in the Tampa Bay area. All of the STAR Center tenants are also included and linked to this website. The CRO also produced a video showing the Pinellas Plant's successful transition to date, which was added to the website.

- Energy Conservation Projects. These projects reduced electrical power consumption at the STAR Center an average of 5 percent for June and again for July 2002. Natural gas and diesel fuel consumption decreased by 62 percent from January through July 2002 as compared to the Center's consumption during the same time frame in 2001. After the first month of water recycling systems operations, there was a decrease of approximately 475,000 gallons of water usage.

II.5.14 Rocky Flats Environmental Technology Site

II.5.14.1 Background

The Rocky Flats Environmental Technology Site (RFETS) is an environmental cleanup site managed by Kaiser-Hill Company, LLC and its team of major subcontractors. Originally established as a nuclear weapons production facility, RFETS' mission has now evolved to one of environmental cleanup. It is designated by the U.S. Environmental Protection Agency as a Superfund Cleanup Site and is on the National Priorities List for cleanup. RFETS is located in Colorado.

II.5.14.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2001 numbered 5,149, with 74 percent being voluntary and 26 percent involuntary (Exhibit II.5.14.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	922	133	1,055
1995	1,844	367	2,211
1996	619	339	958
1997	192	97	289
1998	160	84	244
1999	86	53	139
2000	0	129	129
2001	0	124	124
Total	3,823	1,326	5,149

**Exhibit II.5.14.1 Rocky Flats Environmental Technology Site
Contractor Separations**

II.5.14.3 Current Work Force Restructuring

In FY 2002, RIF separations numbered 199, with all being involuntary (Exhibit II.5.14.2).

Office of Worker and Community Transition

Site: Rocky Flats Environmental Technology Site		FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	33	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	33	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	199	\$0	\$3,330,497	\$3,330,497	\$16,736
2.1	With Benefits (Severance Only)	199	\$0	\$3,330,497	\$3,330,497	\$16,736
2.1.1	Non-Construction Workers	199	\$0	\$3,330,497	\$3,330,497	\$16,736
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	232	\$0	\$3,330,497	\$3,330,497	\$14,356
4.0	Remaining Affected Workers	75	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	70	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	5	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$594,162	\$170,109	\$764,271	n/a
5.1	Displaced Worker Medical Benefits	85	\$0	\$170,109	\$170,109	\$2,001
5.2	Relocation Assistance	3	\$10,647	\$0	\$10,647	\$3,549
5.3	Separating or Separated Workers Using Outplacement	1,181	\$483,500	\$0	\$483,500	\$409
5.4	Education Assistance for Separated Workers	25	\$100,015	\$0	\$100,015	\$4,001
6.0	Total Costs for Fiscal Year 2002	n/a	\$594,162	\$3,500,606	\$4,094,768	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	232	n/a	n/a	n/a	\$17,253
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits) ¹	199	n/a	n/a	n/a	\$20,114

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit II.5.14.2 Rocky Flats Environmental Technology Site Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 6

Rehires in FY 2002: 47

Preference-in-hiring placements in FY 2002: 6 (all rehires, included above)

II.5.14.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at RFETS was \$4,094,768. The estimated fully-burdened cost per involuntary separation was \$20,114 (Exhibit II.5.14.2). The estimated savings in salary and benefits for the 199 RIF separations are \$16.6 million.

II.5.14.5 Outplacement

The Rocky Flats Career Transition Center (the Center) offers a variety of services to current and displaced RFETS workers. These services include: resume preparation; correspondence assistance; computer job bank access; job search training; one-on-one career counseling; photocopy, fax and telephone services; reference library; Internet access; unadvertised job leads; career path assessment; and job search support groups. Additionally, various workshops are conducted which cover such areas as unemployment survivability, job search techniques

including information regarding “hidden markets,” and interview practice. The Center also administers the displaced worker retraining program, which provides tuition reimbursement to eligible displaced workers.

II.5.14.6 Accomplishments and Lessons Learned

In its effort to continue to align benefits programs to the closure mission, Kaiser-Hill continues to provide a number of major initiatives implemented previously and continued during 2002, such as:

Enhancing the salaried benefit retirement plan and adding a lump-sum settlement option for employees who stay until their job is no longer needed.

Liberalizing the tuition reimbursement program to allow employees to take course work in traditional and non-traditional disciplines.

Offering financial planning seminars to employees and their spouses.

Onsite career transition center to support the personal closure plans of all eligible active and separated employees.

Implemented a Personal Closure Plan Toolkit for Kaiser-Hill employees to prepare for the future and develop a personal plan for a successful transition from RFETS.

II.5.14.7 Future of the Site

Upon reducing the historical hazards and safely restoring the land for beneficial public use, management’s key priority is to bring about closure of RFETS by a target date of December 15, 2006, or earlier. By law, the site will become a wildlife refuge.

II.5.14.8 Community Transition

The Rocky Flats Coalition of Local Governments (Coalition) was established in February 1999 by an Intergovernmental Agreement among the seven local governments bordering Rocky Flats Environmental Technology Site and designated the community reuse organization for the Rocky Flats area in June 1999. The mission of the Coalition is to provide an effective vehicle for local governments and their citizens to work together on issues of mutual concern relating to the safe, prompt, and effective cleanup and closure of the Rocky Flats site. The Coalition addresses future use and long-term environmental protection, worker protection and health issues. The Coalition facilitates communication between State Agencies, Federal Agencies, and elected officials.

As of September 30, 2002, a total of \$750,000 was committed to the Coalition for community transition activities and about \$654,000 was spent. Exhibit II.5.14.3 provides a summary of projects funded between FY 1999 through September 30, 2002.

From FY 1999 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
Rocky Flats Coalition of Local Governments Operations*	\$750,000	\$0	\$750,000	\$653,868	0	\$0	0
Totals	\$750,000	\$0	\$750,000	\$653,868	0	\$0	0

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.14.3 Rocky Flats Environmental Technology Site Community Transition Funding and Job Creation by Project

The Coalition's current ongoing projects include cleanup and closure activities, worker issues, long-term protection and future use of the site. The following are key accomplishments of the Coalition for FY 2002:

Final Cleanup Standards. The Coalition worked closely with the Department of Energy (DOE), the U.S. Environmental Protection Agency, and the Colorado Department of Public Health and the Environment to develop final cleanup standards for the Rocky Flats site. After reviewing numerous remediation decision documents, the Coalition issued a comprehensive recommendation.

The Rocky Flats National Wildlife Refuge Act. The Coalition worked with DOE, the U.S. Fish and Wildlife Service (USFWS), and Congress to develop the "The Rocky Flats National Wildlife Refuge Act of 2001." By working with DOE and USFWS, the Coalition helped develop a Memorandum of Understanding between these two agencies. The Coalition participated in monthly labor meetings hosted by Representative Mark Udall and met with DOE concerning revisions to the work force restructuring plan and 401(k) retirement benefits for salaried workers. In FY 2003, the Coalition plans to continue to work with DOE and USFWS on the development of the Comprehensive Conservation Plan for the Rocky Flats National Wildlife Refuge.

II.5.15 Sandia National Laboratories

II.5.15.1 Background

Sandia National Laboratories (Sandia), one of the largest research and development facilities in the Nation, is managed and operated by Sandia Corporation, a wholly-owned subsidiary of Lockheed Martin Corporation. Scientific and engineering solutions are provided to meet national needs in nuclear weapons and related defense systems, energy security, and environmental integrity, and to address emerging national challenges for both government and industry. Sandia has facilities in New Mexico and California.

II.5.15.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2001 numbered 1,773, with 98 percent being voluntary and 2 percent involuntary (Exhibit II.5.15.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 401 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	463*	19	482
1996	585	10	595
1997	481	0	481
1998	7	12	19
1999	0	0	0
2000	194**	2	196**
2001	0	0	0
Total	1,730	43	1,773

* All through attrition.

** Revised from that shown in FY 2000 annual report.

Exhibit II.5.15.1 Sandia National Laboratories Contractor Separations

II.5.15.3 Current Work Force Restructuring

In FY 2002, there were no RIF separations. However, 295 separations did occur through attrition (Exhibit II.5.15.2).

	Site: Sandia National Laboratories	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	295	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	295	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Severance Only)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	295	\$0	\$0	\$0	\$0
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$17,853	\$0	\$17,853	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	15	\$17,853	\$0	\$17,853	\$1,190
6.0	Total Costs for Fiscal Year 2002	n/a	\$17,853	\$0	\$17,853	n/a
7.0	Work Force Restructuring Separations (Average Cost)	295	n/a	n/a	n/a	\$0
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0

Exhibit II.5.15.2 Sandia National Laboratories Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 0

Preference-in-hiring placements in FY 2002: 0

II.5.15.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at Sandia was \$17,853, which funded educational assistance for separated workers. No costs were incurred for medical benefits, relocation assistance, or outplacement (Exhibit II.5.15.2).

II.5.15.5 Outplacement

There were no outplacement services offered at Sandia during FY 2002.

II.5.15.6 Accomplishments and Lessons Learned

The fact that there were no RIF separations in FY 2002 highlights the success of Sandia's re-engineering efforts. With over 3 years in development, Sandia implemented and communicated its policy describing the decisionmaking principles regarding realignment, the responsibilities of

Sandia's executives, managers, and employees in the overall process, as well as the events which mark progress throughout this process.

II.5.15.7 Future of the Site

The current size of the Laboratories appears to be at an affordable level and will permit a hiring program that will strengthen its efforts in cutting-edge technologies. It is expected that an ongoing process of internal movement, retraining of employees, and normal attrition will accommodate any staffing impacts.

II.5.15.8 Community Transition

Albuquerque

In May 1998, the Department of Energy (DOE) first funded the city of Albuquerque to conduct a strengths, weaknesses, opportunities and threats analysis to assist the city with possible job losses resulting from a downsizing at Sandia National Laboratories. The Business Technology Group was established in January 1999 to serve as the community reuse organization (CRO) for central New Mexico. In December 1999, the "Next Generation Economy Initiative" was created which later evolved into Next Generation Economy, Inc. (NextGen). NextGen was designated as the CRO for central New Mexico in September 2000.

As of September 30, 2002, DOE committed a total of \$2.4 million for community transition activities in central New Mexico, of which almost \$1.2 million was spent. A total of 460 jobs was created or retained in the region, with an additional 1,250 jobs expected to be created by FY 2005.

Exhibit II.5.15.3 provides a summary of all projects funded between FY 1998 and September 30, 2002.

From FY 1998 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
Business Technology Group	\$100,000	\$0	\$100,000	\$100,000	0	\$0	0
City of Albuquerque	\$350,000	\$0	\$350,000	\$341,984	0	\$0	0
Cluster Research and Communication	\$45,000	\$0	\$45,000	\$33,778	0	\$0	0
Entrepreneurial Leadership	\$14,311	\$0	\$14,311	\$395	0	\$0	0
Style New Mexico	\$130,727	\$0	\$130,727	\$49,042	0	\$0	100
NextJobNM	\$267,297	\$0	\$267,297	\$62,922	0	\$0	0
Science and Technology Park Development Corporation Master Plan	\$200,000	\$0	\$200,000	\$200,000	458	\$437	800
Microsystems Fabrication Facility	\$682,000	\$0	\$682,000	\$29,562	2	\$14,781	810
CRO Administration*	\$620,712	\$0	\$620,712	\$350,015	0	\$0	0
Totals	\$2,410,047	\$0	\$2,410,047	\$1,167,698	460	\$2,538	1,710

* Funds used for administrative purposes. Job creation not intended.

Exhibit II.5.15.3 Albuquerque Community Transition Funding and Job Creation by Project

During FY 2002, NextGen responded to the needs articulated by the five technology clusters and two traditional clusters by initiating a variety of programs. Clusters are groups of businesses in a particular geographic area that are interrelated through alliances, competitions, or the buyer-supplier “food chain” and that draw on a common talent, technology and support base. The NextGen clusters are:

- Aerospace/Electronic Systems
- Optics
- Biomed/Biotech
- Information Technology/Software
- Microsystems
- Artisan Manufacturing
- Tourism

For the traditional clusters, NextGen created and produced “Style New Mexico” to gain media exposure for the state’s artisans. Over 200 artisan entries were involved in the competition. To

assist the technology clusters in advertising their work force needs at the skill level, a design was created for a web-hosted database that connects employers, the region's training providers, and job seekers (NextJobNM). The system is scheduled for implementation in FY 2003.

The technology clusters expressed a need for a commercial microsystems fabrication facility to provide local manufacturing capabilities to the region's emerging microsystems companies. In FY 2002, a semiconductor tool set valued at approximately \$9 million was donated for this purpose and is a significant first step for this new project.

Carlsbad

In November 1998, DOE awarded a \$300,000 grant to the Carlsbad Department of Development to conduct a strengths, weaknesses, opportunities and threats (SWOT) analysis of southeast New Mexico. In June 2000, the Eddy/Lea Regional Commission (ELRC) was designated the community reuse organization (CRO) for this region to create new jobs and businesses to absorb current and future displaced DOE workers.

As of September 30, 2002, a total of almost \$4 million was committed for community transition activities in southeast New Mexico and almost \$3 million is spent. Of this total expenditure, approximately \$2 million was spent for the Advanced Manufacturing & Innovation Training Center. A total of 87 jobs was created or retained, with an additional 688 jobs projected by FY 2005.

Exhibit II.5.15.4 provides a summary of all projects funded between FY 1998 and September 30, 2002.

From FY 1998 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
Advanced Manufacturing & Innovation Training Center	\$1,945,000	\$0	\$1,945,000	\$1,945,000	85	\$22,882	300
SWOT Analysis (Eddy County, Lea County, and Waste Isolation Pilot Plant)*	\$300,000	\$0	\$300,000	\$300,000	0	\$0	0
GIS for the City of Carlsbad and Eddy County	\$500,000	\$243,314	\$743,314	\$500,000	0	\$0	0
Artesia Main Street	\$110,000	\$0	\$110,000	\$40,000	0	\$0	125
Targeted Market Study-Automotive	\$4,000	\$0	\$4,000	\$4,000	0	\$0	200
Conversion of Oil Field-Produced Water Pilot Plant and Appraisal Study	\$236,000	\$0	\$236,000	\$36,000	0	\$0	75
Lea County Business Attraction and Beautification	\$120,000	\$0	\$120,000	\$0			50
Water Reclamation Project	\$200,000	\$0	\$200,000	\$0	2		25
Staffing-Administrative and Accounting*	\$180,000	\$0	\$180,000	\$100,826	0	\$0	0
Totals	\$3,595,000	\$243,314	\$3,838,314	\$2,925,826	87	\$33,630	775

* Funds used for administrative purposes. Job creation not intended.

Exhibit II.5.15.4 Carlsbad Community Transition Funding and Job Creation by Project

The following is an update of currently funded ELRC projects:

- ELRC received a Block Grant in the summer of 2002 for the following projects:
 - Artesia Main Street Project-Phase III: This is a continuation of the redevelopment and improvement of a 28-block area of Downtown Artesia, including street improvement, landscaping, and pedestrian lighting and amenities. Phases I & II are complete with a total cost of more than \$4 million, with Phase II funded, in part, from a FY 2001 DOE grant.
 - Beautification & Business Attraction Project-Lea County - Streetscaping, infrastructure and civic facade improvements were made throughout Lea County to retain existing employers and attract new industry.
 - CRO Administration - Administrative support for planning, public outreach, coordination, oversight, and accounting.
- The ELRC was awarded a \$200,000 Small Cap Award for a comprehensive, in-depth engineering and logistical study to be conducted under the guidance of the Water Reclamation Committee of the Carlsbad and Lea County Soil and Water

Conservation Districts. Sandia National Laboratories and Los Alamos National Laboratory have agreed to provide in-kind services totaling \$50,000 toward the completion of this design project reuse industrial wastewater and create an information database. ELRC is also funding needed infrastructure improvements for projects, including a public access road.

Eight Northern Indian Pueblos Council, Inc. (ENIPC)

On April 27, 2000 the Eight Northern Indian Pueblos Council, Inc. (ENIPC) was designated a community reuse organization by DOE. DOE recognized that the Eight Northern Pueblos are important players for economic and social development in Northern New Mexico. The Pueblos' historical presence, locale to Los Alamos National Laboratory, and sovereign status as federally-recognized tribes are vital to the economic success of the region. Pueblos represented by ENIPC include Nambe, Picuris, Pojoaque, San Ildefonso, San Juan, Santa Clara, Taos, and Tesuque, all of which are located north of Santa Fe, New Mexico. ENIPC's approach will focus on identification and articulation of individual tribal culture, institutions, and approach to governance to create effective economic development strategies that are consistent with each individual tribal environment. The goal of ENIPC is to develop a collaborative regional Community Transition Plan for all of the Eight Northern Pueblos.

As of September 30, 2002, a total of about \$464,000 was committed for community transition activities in the northern Pueblos region of New Mexico and about \$254,000 is spent. Of this total expenditure, approximately \$179,000 was spent on planning grants and \$75,000 on a strengths, weaknesses, opportunities and threat (SWOT) analysis. ENIPC projects that 177 jobs will be created by FY 2005 through these and planned initiatives.

Exhibit II.5.15.5 provides a summary of all projects funded between FY 2000 and September 30, 2002.

From FY 2000 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
SWOT Analysis*	\$75,000	\$0	\$75,000	\$75,000	0	\$0	0
Planning Grants*	\$388,600	\$0	\$388,600	\$178,600	0	\$0	177
Totals	\$463,600	\$0	\$463,600	\$253,600	0	\$0	177

* Funds used for administrative purposes. Job creation not intended.

Exhibit II.5.15.5 Eight Northern Indian Pueblos Council Community Transition Funding and Job Creation by Project

ENIPC completed a SWOT analysis in FY 2002 and began the planning process for numerous projects, including the following:

- Individual Tribal Planning Assessment. ENIPC awarded a contract to the Arizona Board of Regents on behalf of the University of Arizona, Native Nation Institute for Leadership, Management and Policy, Udall Center for Studies in Public Policy to develop and provide exercises in “nation building” and a “strategic analysis” to the leadership of ENIPC and its member pueblos.
- Petroleum Business Assessment. ENIPC awarded a contract to the Center for Applied Research to complete a Petroleum Business Assessment to determine the feasibility of developing and entering the petroleum business through the Eight Northern Indian Pueblos and ENIPC. The assessment will look at the market factors, competitive advantages and disadvantages, market strategies, and pro forma for a business that would benefit all eight pueblos and ENIPC. The Petroleum Business Assessment would also determine the feasibility of locating such a business on or off the reservations.

II.5.16 Savannah River Site

II.5.16.1 Background

The Savannah River Site (SRS) is managed and operated by Westinghouse Savannah River Company (WSRC) and its team of contractors. SRS focuses on nuclear weapons stockpile stewardship emphasizing a science-based approach; nuclear materials stewardship, that is, management of excess nuclear materials, including transportation, stabilization, storage, and disposition to support nuclear nonproliferation initiatives; and environmental stewardship, which involves management, treatment, and disposal of radioactive and non-radioactive wastes from past, present, and future operations. This stewardship also includes pollution prevention and restoration of the environment impacted by site operations. SRS is located in South Carolina.

II.5.16.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2001 numbered 8,622, with 72 percent being voluntary and 28 percent involuntary (Exhibit II.5.16.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations. Also in FY 2001, an additional 421 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	2,078*	30	2,108
1995	2,786	711	3,497
1996	694	398	1,092
1997	398	750	1,148
1998	11**	138	149
1999	0	196	196
2000	208	72	280
2001	50	102	152
Total	6,225	2,397	8,622

* Includes 870 separations through attrition that were not shown in FY 1993/94 annual report.

** All through attrition.

Exhibit II.5.16.1 Savannah River Site Contractor Separations

II.5.16.3 Current Work Force Restructuring

In FY 2002, RIF separations numbered 580, with 486 being voluntary and 94 involuntary. An additional 163 separations occurred through attrition (Exhibit II.5.16.2).

	Site: Savannah River Site	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	649	\$0	\$22,013,960	\$22,013,960	\$33,920
1.1	Early Retirement	378	\$0	\$19,656,000	\$19,656,000	\$52,000
1.2	Non-Retirement Voluntary Separations (Severance Only)	108	\$0	\$2,357,960	\$2,357,960	\$21,833
1.3	Attrition	163	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	94	\$51,197	\$0	\$51,197	\$545
2.1	With Benefits (Severance Only)	16	\$51,197	\$0	\$51,197	\$3,200
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	16	\$51,197	\$0	\$51,197	\$3,200
2.2	Without Benefits	78	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	743	\$51,197	\$22,013,960	\$22,065,157	\$29,697
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$162,530	\$0	\$162,530	n/a
5.1	Displaced Worker Medical Benefits	35	\$145,158	\$0	\$145,158	\$4,147
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	9	\$17,372	\$0	\$17,372	\$1,930
6.0	Total Costs for Fiscal Year 2002	n/a	\$213,727	\$22,013,960	\$22,227,687	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	743	n/a	n/a	n/a	\$30,261
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	108	n/a	n/a	n/a	\$25,211
9.0	Involuntary Separations (All Benefits) ¹	16	n/a	n/a	n/a	\$6,578

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Note 1: An additional \$4.7 million in program costs were paid for accrued vacation time to workers who took early retirement and non-retirement voluntary separations.

Note 2: The displaced worker medical benefits cost of \$150,151 in FY 2001 annual report should have been shown as an enhanced cost.

Exhibit II.5.16.2 Savannah River Site Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 186

Preference-in-hiring placements in FY 2002: 2 (all rehires, included above)

II.5.16.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 at SRS was \$22,227,687. The estimated fully-burdened cost per non-retirement voluntary separation was \$25,211 and \$6,578 per involuntary separation (Exhibit II.5.16.2). The estimated savings in salary and benefits for the 580 RIF separations are \$48.3 million.

II.5.16.5 Outplacement

There were no outplacement assistance services needed during FY 2002.

II.5.16.6 Accomplishments and Lessons Learned

The ongoing on-line development of work force analyses continues to be a highly-useful work force management tool by providing management with a continuous look at human resource needs and excesses. This, in turn, allows for some adjustment of the work force skill mix to accomplish site missions particularly in critical skill areas.

The initiation by WSRC, in concert with other Department of Energy (DOE) site contractors, in attaining approval from the Secretary of Energy for the limited ebb and flow of the WSRC full-service work force (less than 50 in any 12-month period) without DOE approval will positively impact WSRC's ability to rapidly adjust work force skill mix on a limited basis.

The certification program effected through local technical colleges continues as a decided site asset by providing a pool of qualified, skilled potential workers to fill open positions in several non-exempt seniority units as they occur.

WSRC continues to maintain a local preference-in-hiring (PIH) database and continues efforts to ensure PIH candidates are hired if they meet the job qualifications. This has and continues to significantly improve the written scope of job requisitions thereby minimizing the referral of non-qualified PIH candidates for open positions.

II.5.16.7 Future of the Site

SRS continues to play an important role in the transportation, stabilization, storage, and disposition of excess nuclear materials that pose a threat to world security. In addition, SRS has a significant and increasing role in the future of the DOE complex with ongoing cleanup of Cold War legacy materials, the recycling and loading of tritium components for the nuclear weapons stockpile, the surveillance of tritium components, extraction of tritium from targets irradiated in Tennessee Valley Authority nuclear reactors in a new Tritium Extraction Facility to be operational in 2007, and the nuclear material disposition mission. Work is currently underway to empty the site's tank farms and to ship waste encased in glass logs to the permanent federal repository at Yucca Mountain, Nevada. Plans are also in place for construction of plutonium disposition facilities to convert weapons-grade plutonium into fuel that can be burned by commercial reactors and disposed of as spent fuel also at Yucca Mountain.

During FY 2003 and through the decade, SRS will continue to seek efficiencies in operations and pursue scientific research, development, and deployment of new technologies to achieve its missions. The site will continue working with the State of South Carolina to ensure an off-site disposition path for high-level waste and nuclear materials is maintained, and to find mutually-acceptable solutions for the disposition of low-level and mixed wastes. SRS will continue to maintain its facilities and site infrastructure to meet environmental restoration and mission requirements.

SRS missions and challenges require the site to be highly successful in recruiting, training, and retaining a highly-skilled, motivated work force that possesses the proper skill mix for ongoing and potential future missions. Accordingly, WSRC work force planning for the near future includes continuing the practice of limiting new hires to primarily those with critical skills (e.g., chemical and electrical engineers, information technology specialists, non-exempt technical specialists such as laboratory technicians and radiological control technicians). Retraining or reassignment of employees with requisite skills to higher-priority positions to meet current work scope requirements will also continue.

The staffing level for WSRC is expected to remain fairly stable during FY 2003. However, some changes in the work force skill mix may be required to focus on accelerating the shutdown of F Canyon, closing waste tanks earlier, tearing down high-risk facilities, and performing other accelerated cleanup activities.

Construction craft staffing is also anticipated to remain fairly stable with ebb and flow of the craft work force continuing to occur as projects are completed and new projects started.

II.5.16.8 Community Transition

The Savannah River Regional Diversification Initiative (SRRDI) is the community reuse organization (CRO) for the Savannah River Site (SRS) and was created by Congress in November 1993. SRRDI is a nonprofit organization run by a 22-person Board of Directors appointed by local governments, chambers of commerce, and members of the South Carolina and Georgia Congressional Delegations. SRRDI's overall objective is to create an environment conducive to technology-based business startups, business expansions, and to attract new ventures to the SRRDI region. Through its efforts, SRRDI helps diversify the region's economic base; create and retain high-value, long-term private sector jobs; and transfer SRS Technologies to new and existing area firms for commercial application. The SRRDI Board of Directors restructured the program in FY 2002.

As of September 30, 2002, a total of \$53 million was committed to the SRS Operations Office, the Management and Operating contractor, the CRO, and other economic development associations for community transition activities. To date, \$51.2 million was spent. A total of 6,997 jobs was created or retained, with an additional 5,725 jobs projected by FY 2005.

Exhibit II.5.16.3 provides a summary of all projects funded between FY 1993 and September 30, 2002.

From FY 1993 through 4th Quarter FY 2002							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by FY 2005 (Estimated)
CRO-Prospect Development	\$3,000,000	\$0	\$3,000,000	\$3,000,000	882	\$3,401	1,255
CRO-Mfg Tech Center	\$160,000	\$0	\$160,000	\$54,000	76	\$711	131
CRO-Business Incubators	\$227,817	\$0	\$227,817	\$227,817	87	\$2,619	100
CRO-Seed and Challenge Fund	\$1,896,436	\$0	\$1,896,436	\$1,440,219	3,841	\$375	5,272
CRO-Venture Capital Fund	\$2,948,000	\$0	\$2,948,000	\$2,100,000	141	\$14,894	186
CRO-Administration*	\$1,427,777	\$1,017,165	\$2,444,942	\$2,209,792	4	\$552,448	1
CRO-Planning*	\$1,057,720	\$0	\$1,057,720	\$1,057,720	237	\$4,463	393
CRO-Scientific & Engineering	\$50,000	\$0	\$50,000	\$0	0	\$0	0
CRO-Technical Scholars	\$50,000	\$0	\$50,000	\$0	0	\$0	50
CRO-Proposal Development	\$256,250	\$0	\$256,250	\$256,250	1	\$256,250	194
CRO-CSRA MfgTech Center	\$1,000,000	\$0	\$1,000,000	\$1,000,000	0	\$0	600
SRDI Subtotal	\$12,074,000	\$1,017,165	\$13,091,165	\$11,345,798	5,269	\$2,153	8,182
Savannah River Operations Office	\$1,450,000	\$8,848,251	\$10,298,251	\$10,298,251	924	\$11,145	1,653
Westinghouse SR Company	\$200,000	\$8,891,894	\$9,091,894	\$8,989,820	520	\$17,288	1,387
Tri-County Economic Development	\$8,400,000	\$200,000	\$8,600,000	\$8,582,340	284	\$30,220	1,500
SR Site Centers of Excellence	\$0	\$12,000,000	\$12,000,000	\$12,000,000	0	\$0	0
Totals	\$22,124,000	\$30,957,310	\$53,081,310	\$51,216,209	6,997	\$7,320	12,722

* Funds used for administrative purposes. Job creation not intended.

Exhibit II.5.16.3 Savannah River Site Community Transition Funding and Job Creation by Project

The following provides an update on the major accomplishments of selected FY 2002 projects:

- Small and Small-Disadvantaged Business Assistance Program. SRS developed this for Aiken, Allendale, Bamberg, and Barnwell counties. The program assists small and small-disadvantaged businesses in developing and writing business plans, obtaining financing, establishing expansion requirements, developing and placing personnel, and responding to public and private requests for goods and services. As

of September 30, 2002, the program assisted 13 firms and provided over \$3.8 million in goods and services, with 42 jobs created or saved.

- The Tri-County Alliance was awarded the Office of Worker and Community Transition Competitive Small Cap-Direct Economic Outcome Grant for the Shaw Project in the amount of \$200,000. The Shaw Project is the purchase of a 100,000-square-foot building on 23 acres. The building will be leased to an industrial business that projects the creation of at least 25 new jobs for the Allendale and Barnwell area.
- Asset Reuse Program. The SRS Asset Reuse Program, through the Tri-County Alliance, began acquiring excess equipment from SRS and reselling it. This endeavor was an incentive for Bolin and Associates to move to the region. Profits from the equipment resale are split between SRRDI and Tri-County for economic diversification activities in the region.

The following is a summary of additional SRRDI-funded projects:

- The contract for surplus property with Tri-County Alliance was renewed.
- The I-520 (Bobby Jones Expressway Extension) Economic Development Impact Study was completed.
- The North Augusta 2000 Coalition is in the process of developing a “Plan of Work” for four areas--Economic Development, Education, Quality of Life, and Recreation. This plan also contains 32 initiatives for the Coalition.
- The Economic Development Partnership of Augusta Metro Chamber of Commerce and the Tri-County Alliance is working on a proposal to be submitted to SRRDI for a regional marketing plan for the SRRDI area. This plan is the result of the Fantus Study update completed in 2001.
- Prospect Development Initiative. The South Carolina Advanced Technology Park (a 1,639-acre industrial park), announced three new businesses--Kronotex USA, ADF Corporation, and Bull Run Metal Fabricators. A \$5,000,000 grant was provided to establish the necessary infrastructure in the Park (i.e., water, sewer, roads, and site preparation).

SRRDI's most lasting accomplishment to date may be the development of regionalism between the two states that were traditionally divided by the Savannah River (South Carolina and Georgia). Instead of each state working alone to develop its communities, there is now an awareness that working together produces a more healthy and productive economy for both states.

SECTION III: NON-DEFENSE SITES

III.1 Background

The Office of Worker and Community Transition reviews and evaluates work force restructuring plans from all contractor-managed sites throughout the Department of Energy complex. While most of the non-defense sites are smaller than defense nuclear sites, some are also undergoing restructuring because of changing missions or business procedures. There are 11 non-defense sites included in this report:

Ames Laboratory (Iowa)
Bettis Atomic Power Laboratory (Pennsylvania)
Fermi National Accelerator Laboratory (Illinois)
Knolls Atomic Power Laboratory (New York)
Lawrence Berkeley National Laboratory (California)
National Renewable Energy Laboratory (Colorado)
Naval Reactors Facility (Idaho)
Princeton Plasma Physics Laboratory (New Jersey)
Stanford Linear Accelerator Center (California)
Strategic Petroleum Reserve (Louisiana and Texas)
West Valley Demonstration Project (New York)

III.2 Current Work Force Restructuring

In FY 2002, reduction-in-force (RIF) separations numbered 263, with 117 being voluntary and 146 involuntary. An additional 566 separations occurred through attrition (Exhibit III.1).

	Non-Defense Sites	FY 2002				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations	683	\$0	\$1,481,895	\$1,481,895	\$2,170
1.1	Early Retirement	70	\$0	\$337,237	\$337,237	\$4,818
1.2	Non-Retirement Voluntary Separations (Severance Only)	47	\$0	\$1,144,658	\$1,144,658	\$24,354
1.3	Attrition	566	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	146	\$0	\$945,803	\$945,803	\$6,478
2.1	With Benefits (Severance Only)	78	\$0	\$945,803	\$945,803	\$12,126
2.1.1	Non-Construction Workers	78	\$0	\$945,803	\$945,803	\$12,126
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	68	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	829	\$0	\$2,427,698	\$2,427,698	\$2,928
4.0	Remaining Affected Workers	13	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	13	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$306,884	\$306,884	n/a
5.1	Displaced Worker Medical Benefits	93	\$0	\$147,496	\$147,496	\$1,586
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	66	\$0	\$53,823	\$53,823	\$816
5.4	Education Assistance for Separated Workers	34	\$0	\$105,565	\$105,565	\$3,105
6.0	Total Costs for Fiscal Year 2002	n/a	\$0	\$2,734,582	\$2,734,582	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	829	n/a	n/a	n/a	\$3,438
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	47	n/a	n/a	n/a	\$27,732
9.0	Involuntary Separations (All Benefits) ¹	78	n/a	n/a	n/a	\$15,504

¹ Includes historical average cost of other benefits per recipient, as calculated from all DOE sites.

Exhibit III.1 Non-Defense Sites Work Force Restructuring Summary

Separations due to outsourcing in FY 2002: 0

Rehires in FY 2002: 147

Preference-in-hiring placements in FY 2002: 0

III.3 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2002 was \$2,734,582. The estimated fully-burdened cost per non-retirement voluntary separation was \$27,732 and \$15,504 per involuntary separation (Exhibit III.1). The estimated savings in salary and benefits for the 263 RIF separations are \$21.9 million.